

**THE PRESIDENT'S INTERNATIONAL AFFAIRS  
BUDGET REQUEST FOR FY 2003**

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**HEARING**  
BEFORE THE  
**COMMITTEE ON  
INTERNATIONAL RELATIONS  
HOUSE OF REPRESENTATIVES**  
ONE HUNDRED SEVENTH CONGRESS

SECOND SESSION

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FEBRUARY 6, 2002  
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## **THE PRESIDENT'S INTERNATIONAL AFFAIRS BUDGET REQUEST FOR FY 2003**

**WEDNESDAY, FEBRUARY 6, 2002**

HOUSE OF REPRESENTATIVES,  
COMMITTEE ON INTERNATIONAL RELATIONS,  
*Washington, DC.*

The Committee met, pursuant to call, at 10:18 a.m. in Room 2172, Rayburn House Office Building, Hon. Henry J. Hyde (Chairman of the Committee) presiding.

Chairman HYDE. The Committee will come to order. Welcome, Mr. Secretary. We are pleased to have you back before us once again.

There is universal acknowledgment that the Administration has done a masterful job in the first phase of what everyone understands will be a long and difficult struggle. Our success to date, however, should not blind us to the effort that lies ahead. Measuring progress in that struggle will be difficult, for it will be waged on many fronts and often out of public view. Failures will be painfully evident while successes may be unheralded and be measured by the invisible tally of horrors that did not happen.

Faced with the tragedy of September 11, one is impelled to search for something positive to salvage from the smoldering ruins of Ground Zero. If there is anything at all that can be termed heartening, it must be the love of country that has emerged spontaneously from every corner of our society, transcending the many divisions which often loom so prominently in our daily concerns.

Although a bipartisan approach to foreign policy has been the rule in American history, there have been many occasions when this consensus has been tested, at times even to the point of fraying. But can anyone doubt that we are united once again? In all of the images I witnessed in the tragedy and its aftermath, I saw no Republicans or Democrats among the victims or the heroic rescuers, nor have I seen any narrow partisans among the warriors defending our country so far from its shores.

Although we have been jolted awake to the reality and danger of terrorism, it is also true that we can now identify enemies who have long gone unrecognized and therefore uncombated. Stripped of their anonymity and the security of the shadows, those who plot our destruction can now themselves be targeted. In that effort, swift and decisive action will be a far more persuasive deterrent than words can be.

President Bush's declaration that the United States will make no distinction between terrorists and the states which harbor them must remain the bedrock on which our policy rests. If the coopera-

tion of suspect countries is not forthcoming, we must be prepared to induce their cooperation by threatening direct punishment of the regimes which rule them. Ambiguity on their part must be shown to have a fearsome cost.

In so doing, we must, of course, take note of the views of our friends and others and actively seek their assistance, but the desire to secure this support cannot be allowed to override our primary duty of securing the safety of all Americans. The world will not be made a safer place by conditioning our actions on the approval of others. To the contrary, and not for the first time, the world has been made more secure by America's demonstrated determination to act alone, and we must be prepared to do so again, if we determine that such a course is necessary.

In the aftermath of September 11, we have heard much about how the world has changed and also of the need to refocus U.S. foreign policy on newly prominent threats. Of necessity, the war of terrorism must take precedence in our deliberations on foreign policy, including a resolution of the still unsettled situation in Afghanistan. But even as we acknowledge these priorities, we must take care to remember that the defense and promotion of America's interests in other regions of the world remains as important after September 11 as before and that these interests can only suffer from a prolonged absence of attention. Our image of the world may have changed, but we must be careful not to make a new error by believing that everything has changed.

I would also caution that although the expressions of support and offers from other countries to undertake a joint effort against terrorism have been gratifying, we cannot yet be confident that an effective and lasting alliance against terrorism has in fact been formed. Our willingness to assume a prominent role in this area may prompt some of our friends to resume their unfortunate habit of allowing the United States to carry the burden and run the risks of actions for the common good, with their contribution heavily weighted toward soft applause from the sidelines.

I would also devote considerable scrutiny to any assertion that the joint threat of terrorism has magically transformed some former competitors and still thuggish regimes into reliable collaborators. Unfortunately, the world is such that others may see in our problems opportunities for the advancement of their own interests. Therefore, our standard must be, for friends and others alike, not mere pledges of cooperation but concrete actions in support of a global campaign against terrorism, including the independent initiation of their own efforts and the willing assumption of their own risks.

No free people will ever resign themselves to living in a world of fear. I believe that the direction that you, the President, and the Administration have set for our country derives from that fundamental fact. But we must ensure that our focus on these new priorities does not lead us to neglect our interests elsewhere, nor can we allow the hope of assistance from others to distract us from our own responsibilities.

These are not issues to be easily decided but, as always, Mr. Secretary, I can offer you this Committee's full support in your efforts

to advance our Nation's agenda and to secure its enduring interests throughout the world.

[The prepared statement of Mr. Hyde follows:]

PREPARED STATEMENT OF THE HONORABLE HENRY J. HYDE, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF ILLINOIS, AND CHAIRMAN, COMMITTEE ON INTERNATIONAL RELATIONS

Welcome, Mr. Secretary. We are pleased to have you back before us once again.

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Although we have been jolted awake to the reality and danger of terrorism, it is also true that we can now identify enemies who have long gone unrecognized and therefore uncombated. Stripped of their anonymity and the security of the shadows, those who plot our destruction can now themselves be targeted. In that effort, swift and decisive action will be a far more persuasive deterrent than any words can be. President Bush's declaration that the United States will make no distinction between terrorists and the states which harbor them must remain the bedrock on which our policy rests. If the cooperation of suspect countries is not forthcoming, we must be prepared to induce their cooperation by threatening direct punishment of the regimes which rule them. Ambiguity on their part must be shown to have a fearsome cost.

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Chairman HYDE. Before you begin, Mr. Secretary, I would like to ask our Ranking Member, Mr. Tom Lantos, for his comments. Mr. Lantos.

Mr. LANTOS. Thank you very much, Mr. Chairman. Today marks the Committee's inaugural hearing of this session and your presence, Mr. Secretary, underscores the importance of our upcoming work. Let me begin by echoing the Chairman's praise. Since September 11 you have risen to the challenge, and in so doing you have elevated the Nation. Thank you, Mr. Secretary, for your extraordinary patriotic service during these very trying times. You make America proud.

Secretary POWELL. Thank you, sir.

Mr. LANTOS. Now, nearly 5 months after September 11, we have come to understand better the long-term impact of that fateful day. As the hijacked airliners slammed into the World Trade Center and the Pentagon, the kaleidoscope of international politics was violently shaken, scrambling the patterns of power. Today all of the great powers are united against the forces of barbarism. Not since the end of the Second World War have all the great nations of the civilized world, including China, India, Russia, Europe, Pakistan, joined in a common cause against a common enemy.

But the new patterns of power are by no means permanent. Indeed with his State of the Union Address, the President has again shaken the kaleidoscope. He has widened our focus to encompass not only the perpetrators of the September 11 attacks and the regimes that protect them, but also the rogue states that develop the instruments of mass destruction that terrorize the civilized world. Preventing Iraq, Iran, and North Korea and other rogue states from developing and spreading weapons of mass destruction, however, will not pacify them. Ultimately we must seek to transform these states from outlaws to responsible members of the international community. We must use all the levers of powers that we possess to accomplish this historic mission.

As you well know, Mr. Secretary, after the Second World War, the United States and our allies were the catalysts for regime change in Germany and Japan, leading to their democratic transformation. Now in the wake of September 11, we must again be the catalysts for regime change in Iraq and other states threatening our interests and values.

Mr. Secretary, it is with this new mission in mind that I assess the Administration's international affairs budget proposal, and I find it sorely lacking. The President proposes increasing our defense budget by nearly \$50 billion, a proposal I strongly support. At the same time, however, his request for international affairs



spending represents an actual decrease compared to the funds provided by Congress last year.

To win the war against terrorism we need more than smart bombs. We need smart diplomats, secure embassies, and stepped-up international broadcasting and foreign assistance that advances the world's march toward democracy and freedom.

Our chronically low level of international affairs spending is a national disgrace, only compounded by this new budget proposal. The United States spends less than  $\frac{1}{10}$  of 1 percent of our gross domestic product on international development assistance, while our friends in Norway, Denmark and the Netherlands spend proportionately 10 times as much. Ten times as much!

Mr. Secretary, you have correctly called America's diplomacy our first line of defense. By that measure this budget will leave America vulnerable and much too dependent on our military. There is no better example of the dangers of shortchanging diplomacy than is Afghanistan today. Had we invested only a fraction, only a fraction of what the international community now plans to spend in assistance to Afghanistan, after the Soviets withdrew in 1990, the Taliban would never have emerged. Osama bin Laden would never have found refuge and we would not be waging war in Afghanistan now.

I am especially dismayed by the cuts this budget will force on our international broadcasting and public diplomacy programs. These initiatives are critical to broadening international understanding of the United States and the values that form our foreign policies. We cannot win the information war, and hence the war against terrorism, if we shortchange public diplomacy.

Finally, Mr. Secretary, I am profoundly disturbed by the recent remarks of your Cabinet colleague, Secretary of the Treasury Paul O'Neill, who made clear his contempt for foreign assistance, dismissing it as ineffective and wasteful. The Administration and the country would do well to disown his irresponsible remarks and recommit itself to strengthening U.S. national security through increased and effective foreign assistance.

Mr. Secretary, I am looking forward to hearing your testimony today, and I welcome your insights into these pressing issues. Thank you very much.

Chairman HYDE. Thank you, Mr. Lantos. Without objection, any Member who wishes to insert an opening statement into the record may do so at this point or subsequent point.

Mr. Secretary, we look forward to hearing a summary of your statement. As your full statement has been made available to all our Members and will be made a part of the record, please proceed.

**STATEMENT OF THE HONORABLE COLIN L. POWELL,  
SECRETARY OF STATE, U.S. DEPARTMENT OF STATE**

Secretary POWELL. Thank you very much, Mr. Chairman, for making my full statement a part of the record, and I will give an abbreviated version of that statement to get our proceedings going.

Let me begin by thanking you, Mr. Chairman, for your kind remarks and, Mr. Lantos, for your kind remarks as well and your sobering observations with respect to our foreign assistance accounts. Let me also thank the Committee for the solid support that you

have provided to the Administration, to the President and all of us in the Administration over the last 4-plus months of the current crisis. And, as Secretary of State, let me thank the Committee for the support you have provided for my efforts to reinvigorate the Department of State, to make sure that we get the right people in the right place at the right time, that we let them know they are on the front line of offense in our national security efforts, and that you are going to give them the tools that they need to do that job well.

Mr. Lantos, of course we would always welcome a larger budget, but in light of what the President had available to him and what he thought was appropriate for the Nation at this time, I am pleased that the budget I am here to defend this morning does show an increase of almost 5 percent, offset somewhat by the supplemental that you make reference to. It may well be that as we get into the course of this year another supplemental will be required. I still think that as a result of these actions we will see real growth in the State Department accounts in the year that unfolds in front of us.

Chairman Hyde, you made the point that we all came together as a nation. We saw a love of country in a way that we hadn't seen in a long time. It invigorated not only all of us, but I think it invigorated the world. It showed the world what America is all about. Our diversity is a source of strength, not weakness.

We don't all sit around watching television and scandals, but we can come together for a common purpose and a common cause. As a result of our coming together in this common purpose and cause, we provide a vision to the rest of the world as to what we have to do as a civilized world to deal with this new threat that came upon us in such a vivid way on the 11th of September last.

We pulled together a great coalition, a coalition that we lead because that coalition wants us to lead it, a coalition that has done more than soft applause in support of the vision, a coalition which put British troops next to American troops in Afghanistan and German troops in combat operations on the right side and first time they have been in such operations in 50-odd years and with French troops and Jordanian troops and other troops, and many other nations that were willing to put their troops in harm's way had we a need for those troops in the theater of operations. In some cases we got soft applause, but in most cases we got loud applause and we got positive acts on the part of our coalition members to be a part of this effort, and we applaud that action on their part.

We also recognize that coalitions need leadership, and we also recognize that while we are pulling together a coalition we would like the coalition to move out all in the same manner and with the left foot forward all together. There may be some times when we have to act alone, but we can't have our national interests constrained by the views of the coalition.

My job, of course, as Secretary of State is to explain this vision, carry this vision forward, using the example given to us by President Bush, and to make sure that everybody understands that we want you to be with us, but if you can't be we are going ahead any way.

I think we have been successful in going forward with a vision that most people can support, and this coalition has stayed together. People have said, well, it is going to break apart. Well, it didn't break apart. In fact with each passing week it is being strengthened as the President shows leadership and as we continue to put out that vision of what we have to do to defeat terrorists, deal with those nations that harbor terrorists and terrorist activities, and also deal with those nations that enable terrorists by the proliferation of weapons of mass destruction or the technology that could lead to the development of weapons of mass destruction.

I think we do have newly prominent threats that we have to deal with that you mentioned, Mr. Chairman. But even more exciting and more interesting to me is we have newly prominent opportunities, opportunities that I will talk to as I go through my statement, that were not there 5 months ago, were not there a year ago, newly prominent opportunities that have been made possible by the leadership that President Bush and the United States has given to this coalition against terrorism.

What I would like to do for the first part of my statement, however, Mr. Chairman, is to talk not about foreign policy but to say just a few words about how we have used the resources that the Congress has provided to us in my first year as chief steward of the Department of State to reinvigorate the State Department and to make sure that we are managing and running the Department in the most effective way possible.

In my first testimony before this Committee last year, I said I was going to break that mold and talk about management and my stewardship of the Department. I did that because I felt I had to make the case for you that the resources challenge for the Department of State have become a serious impediment to the conduct of our foreign policy. You heard my testimony. You responded with the kind of support that I was hoping for, and I want to thank you for that.

Because of your generosity and your understanding, we have already made significant progress and, in the remainder of fiscal year 2002, we will make more. In new hires for the Foreign Service, we have made great strides. We doubled the number of young Americans who have stepped forward to say I want to take the Foreign Service exam, I want to be part of this department. I want to be part of this front line of offense in our national security activities. We have tripled the number of minorities who have applied for the Foreign Service exam; 17 percent of those who applied for the last exam were minorities. We are going to give the exam twice this year in order to accommodate all the young Americans who are stepping forward in this time of crisis.

We have also improved our Civil Service recruitment by putting out new web-based recruiting tools, and once we identify the best people out there we are trying to bring them in more rapidly. Last year it was taking us 27 months to bring somebody into the Foreign Service from the day they took the Foreign Service exam. We now have that under a year, and we will drive it to an even lower number.

I want all of the men and women of the Department of State to have state-of-the-art information technology so they can be part of

this rapidly changing world. I hope that as a result of this support you have provided to me, the funds that have been made available to me, we will have 30,000 State Department employees given access to the Internet within the very near future; over the next 2 years is my goal.

We have also done a lot with respect to the security of our buildings and the building of our embassies and making sure that we are giving our people around the world good places in which to work, good places in which to live and places that are secure, protecting them and their families. And General Chuck Williams, who I brought on board, a marvelous Army engineer, is doing a great job of that. I think we can satisfy the Committee and the other Committees of Congress that we are using the funds for embassy construction in the most effective way possible, and I think you will be very impressed with the work that General Williams' colleagues have done.

Morale is on the upswing. We are taking care of our families, we are taking care of our people. The President's request for the Department of State and related agencies to operate us and operate our facilities is \$8.1 billion, and these dollars will allow us to continue initiatives to recruit, hire, train and deploy and to upgrade our worldwide security readiness, but it also includes \$553 million to build on the funding that had been provided earlier for the increased hiring of security agents and counterterrorism programs. The budget request has over \$1.3 billion to improve physical security and correct serious deficiencies that still exist in our facilities around the world.

As I noted earlier, the budget will support my efforts to provide state-of-the-art information technology to all of our personnel. To Mr. Lantos' point about public diplomacy and broadcasting, this budget will enhance our public diplomacy efforts to eliminate support for terrorists and to make sure we are getting our message out that we are not against any ethnic group. We are not against any group of people. We are against terrorists and terrorists only, and I think we have to do a much better job of getting that message out.

I have brought on a person, Under Secretary of State Charlotte Beers, who has a broad background in marketing and selling. People have said, well, is that what you really need to have? Didn't she used to sell Uncle Ben's rice? The answer is yes, she did. And didn't you buy Uncle Ben's rice? And that is exactly what I want, somebody who can market our value system, somebody who can get out there and mix it up in the kind of world we are living in.

We are going to see a lot of exciting things happening, the right content, the right format to the right audience right now to explain our policies, to explain what our vision is all about.

Mr. Chairman, all of these State Department and related action programs and initiatives are critical to the conduct of America's foreign policy. It is to that foreign policy that I now want to turn my attention.

Over the past year, Mr. Chairman, I believe the broader tapestry of our foreign policy has become clear. President Bush and all of us want to encourage the growth of democracy and market economies and to bring more nations to the understanding that the

power of the individual is the power that counts, that despite the crises and troubles the world confronts the movement of freedom is inexorable, and when evil appears to threaten that movement, America will confront that evil head on and defeat it as we are doing in the war on terrorism.

As I get into the specifics of our foreign policy, the different regions, the different countries, the different crises, let's not forget the power of the whole, the power of democracy and the power of free enterprise system, and you can see how this is transforming the world. I have to make sure that every day while I am dealing with the crises of the day, while I may be, as I was this morning, talking to the President of Pakistan and the Foreign Minister of India and talking to the Chairman of the OSCE in dealing with the issues that come along and worrying about the Middle East, I have to stand back and realize there are wonderful opportunities out there and not be dragged into the mud by the crises, but to keep looking at that broader horizon that is out in front of us, the opportunity we have to reshape this world in a way that we couldn't have thought about just a year ago.

Let me now start to go through these various issues. I want to begin with Russia. President Bush has structured a very strong relationship with Russia, the meetings that he has had over the past year with President Putin and the dialogue that has taken place on a regular basis between Russian foreign Minister Igor Ivanov and me and Secretary Rumsfeld and his colleagues. In fact, as I was pulling into in front of the building a few moments ago Igor Ivanov was trying to reach me on the phone to tell me about his visit to Kabul day before yesterday. We talk one, two, three, four times a week now to make sure we stay in touch, to make sure we understand one another in a way that hadn't been the case just a few months ago.

As a result of this level of dialogue, I think it helped Russia understand that it had to make the right choice after September 11th, and President Putin does make the right choice. He decided that Russia would become a full and key member of the anti-terrorist coalition. Russia has played a crucial role in our success in Afghanistan by providing intelligence, bolstering the Northern Alliance and assisting our entry into Central Asia in a way that they would have found threatening just a few months ago. In fact, 2 weeks ago my colleague Mr. Ivanov was asked by a television interviewer, Comrade Igor, aren't you worried about all of these Americans running around Central Asia? They are the enemy. And his answer was no, terrorism is the enemy. Smuggling is the enemy. Drug trafficking is the enemy. Those are the things that are now the enemies, and the United States and Russia are working together to defeat these new enemies. That is a new awareness that the Russians have that we can build on as we go forward.

Similarly, the way we agree to disagree on the ABM Treaty reflects the intense dialogue that we had over the previous 11 months, where we made it clear to them we have to go forward with missile defense. It is one of the threats we have to deal with. We know you have concerns about us leaving the ABM Treaty. Can we deal with those concerns? Can we find a way to go forward with the testing in a way that you would find acceptable under the trea-

ty? And we had the most intense dialogue, the President is talking, Mr. Ivanov and I are, and our staffers trying to work it out. At the end of the day we couldn't come to an agreement on this issue and we agreed to disagree, and we notified Russia that we were going to withdraw from the ABM Treaty. President Bush talked to President Putin, and sent me to discuss with President Putin how the announcements would be made in a way that does not rupture the relationship. Everybody was saying oh, my gosh, if you do that there is going to be an arms race that will break out immediately, and the relationship between the United States and the Russian Federation will go into crisis mode. None of that happened. We agreed to disagree as two mature nations speaking to one another, and now we are moving forward. The ABM Treaty disagreement is behind us.

We are finding ways to cooperate with respect to the reduction of nuclear weapons. Offensive nuclear weapons are the things that kill people, not missile defense, which defends against the things that kill people. And Minister Ivanov and our staffers are hard at work to find a way to get all of this documented by the time of the Moscow summit in May so that we can put down at that time a legally binding agreement between the two sides on what we are going to do to reduce strategic offensive weaponry.

It just shows that two mature nations can have positions of principle and find a way to move forward without either side abandoning its principle. We even managed to come to agreement on how we are going to work in NATO. We are now developing mechanisms for pursuing joint Russian-NATO consultations; "at 20," it is called: NATO, its members and Russia, when it joins in our deliberations, as NATO-Russia Council at 20. I think this will go a long way to bringing Russia more toward the West and making them more comfortable with the likelihood of the expansion of NATO at the Prague summit in the fall of this year. I believe that the way we handled the war on terrorism, ABM Treaty, nuclear reductions in NATO is reflective of the way we will be working with Russia in the future.

At the same time we have not forgotten about Russian abuse of human rights in Chechnya or about Moscow's nuclear proliferation to countries such as Iran, or Russian intransigence, which I think is slowly dissipating, with respect to changing the sanctions policy on Iraq. We also speak candidly to them about the freedom of the media. And so even though we are getting along in a number of important areas, and I might also touch on economic cooperation and their desire to become a member of the WTO, we don't shrink from pointing out where there are deficiencies in the relationship, where we think they have to take action. And we do it on the basis of mutual respect, open dialogue, and building up a level of confidence so we can talk candidly to one another, and the way we are approaching Central Asia is illustrative of that.

Shifting to the other great nation which is of enormous interest to us, that is China, we have tried to move in the same direction. You recall earlier this year we had a potentially volatile situation in April when our reconnaissance aircraft was in a collision with a Chinese airplane and it landed on Hainan Island. Everybody thought this would be a crisis of long lasting duration and would

fundamentally sour relations between the United States and China. But through careful diplomacy, both sides respecting one another's point of view, trying to find a solution, we found a solution. We got our crew home safely, we eventually got our plane home. It also set up conditions that allowed me to go to China later that summer for successful meetings that set the stage for President Bush to visit Shanghai for the APEC summit last fall.

He had good meetings with President Jiang Zemin, and we have discovered in recent months that the Chinese are anxious to move forward with us on a positive agenda. We have emphasized that there are shared interests that we have with China, and they are global and regionally shared interests, such as China's access to the WTO, which has now occurred along with Taiwan's access, and stability on the Korean Peninsula. We are with the Chinese on fighting the scourge of HIV/AIDS, which is going to be a problem for China in the years ahead. On such issues we can have a dialogue and we can make measurable progress. But we do not want the interests where we differ to constrain us from pursuing those where we share common goals. That is what we are trying to do.

President Jiang Zemin was one of the first world leaders to call President Bush and offer his sorrow and condolences for the tragic events of September 11th. In the almost 5 months since that date, China has helped in the war against terrorism. Beijing has also helped in the reconstruction effort of Afghanistan and we hope will help even more in the future.

Moreover, China has played a constructive role in helping the United States manage a very dangerous situation between India and Pakistan. I speak to my Chinese colleague and Foreign Minister Tang on a regular basis. Not too long ago when President Musharraf of Pakistan was going to China on his way to another meeting, I called Foreign Minister Tang and we coordinated our views and positions at that point so that all of us were in sync with one another. I think that has turned out to be a helpful way of dealing with these kinds of crises.

All of this kind of cooperation between us and the Chinese came about as a result of our efforts to rebuild the relationship after the reconnaissance plane incident. At the same time, as with Russia, we don't walk away from the tough issues. We talk to them about our commitment to human rights and why we believe it is important. We talk to them about religious freedom, why it is important that we respect universal standards of human rights, and why it is important that they not participate in the proliferation of weapons of mass destruction technology. We don't shrink from that.

And we continue to tell the Chinese people that if their economic development continues at pace and the Chinese people see the benefits of being part of a world that rests on the rule of law, we can continue to work together constructively. A candid, constructive and cooperative relationship is what we are building with China, candid where we disagree, constructive where we can see some daylight, and cooperative where we have common regional or global interests.

As we improved our relationship with China, we also reinvigorated our bilateral alliance with Japan, Korea and Australia, and nowhere has this been more visible than in the war on terrorism,

where they and all of our other Asian Pacific friends have been so helpful. President Bush has a solid relationship with Prime Minister Koizumi of Japan, and Prime Minister Koizumi immediately offered Japan's strong support within the confines of its constitution. And he is working to enhance Japan's capability to contribute to such global and regional actions in the future.

Always the linchpin of our security strategy in East Asia, the U.S.-Japan Security Alliance now is as strong a bond between our two countries as it has been in the half century of its existence.

With respect to the Peninsula, our alliance with the Republic of Korea has also been strengthened by Korea's response to the war on terrorism and by our careful analysis and our consultations with the South on where we need to take the dialogue with the North. President Bush has made it very clear, as clear as one could, that we are dissatisfied with the actions of North Korea in that they continue to develop and sell missiles that could carry weapons of mass destruction at the same time their people are starving to death. We are one of the biggest contributors of food to keep them from starving to death.

When the President said that there is an axis of evil and that there are evil regimes, not evil people but evil regimes, and he identified North Korea as one of them, that does not mean that he is not willing to enter into a dialogue with North Korea. Our policy remains the same. As I enunciated with the President's permission last summer, we are prepared to talk to the North Koreans any time, any place, anywhere, under any set of conditions and with no previously set agenda. Let's start talking. But that does not mean we will not call it the way we see it. That is what the President did the other night. He did it with a firmness of purpose. It was not a rhetorical flourish. It was a considered statement that he was making, a statement that all of us had seen beforehand and were pleased that he was making.

We will not shrink back that clarity of purpose that the President had in his State of the Union Address. Both we and the Republic of Korea are ready to resume dialogue with Pyongyang at any time they are ready to do so.

As I look across the Pacific to East Asia, I see a much improved security scene. I believe that President Bush and his leadership deserves the credit for this success.

Another foreign policy success that we don't talk about enough is the improvement we have achieved in our relations with Europe. In waging war together on terrorism, our cooperation has grown stronger. NATO invoked Article 5 for the first time on September 12th, the very day after the crisis. Since then the European Union has moved swiftly to round up terrorists, close down terrorist financing networks and improve law enforcement and aviation security cooperation. We share with the Europeans the desire for a Europe whole, free, and at peace.

President Bush has communicated to Europe a solid vision. He did that in his speech in Warsaw last year. He has met with the European Union at the U.S.-EU summit and at the European summit. He is looking forward to the Prague summit later this year when we will, I am quite sure, enlarge NATO, offering invitations to aspirants to join. How many, still to be determined.



But this suggestion that you sometimes see in intellectual circles that the United States is acting unilaterally and not consulting with our European partners couldn't be further from the truth. If you look at my calendar, you will see how much consultation I do, beginning very early this morning with the Foreign Minister of Portugal and a steady stream of advisers that came through my office. President Bush spends an enormous amount of his time in direct consultations with our European friends as well as our friends around the world.

So we believe in multilateralism, but when it is a matter of principle and when the multilateral community does not agree with us, we do not shrink from doing that which we think is right, which is in our interest, even if some of our friends disagree with us. And particularly in Europe we recognize that there are strong points of view in Europe and we always appreciate hearing these strong points of view. I hear them, whether I appreciate them or not. That is part of diplomacy.

This is how friends work with each other, and I just want this Committee to know and Americans to know that we value the alliance that we are part of. We value the relations that we have with all of our European colleagues. I spend a lot of my time making sure that they understand our point of view, and we take into account their point of view.

We are not ignoring the rest of the world by focusing on Europe and China, Russia and the countries around them. I am very concerned about Africa. We have worked hard to show that we do have an African agenda. President Bush chaired the forum that we had not too long ago implementing the African Growth and Opportunity Act. We are looking forward to the summit meeting in Johannesburg later this year on the World Summit on Sustainable Development, which will be one of the largest gatherings of foreign ministers and world leaders in many decades.

We will do more to make sure that the African Growth and Opportunity Act achieves the purposes that Congress has intended. It is off to a good start. A number of countries have seen significant increases in their ability to trade with us, and I don't want anyone to think that we are neglecting these other areas, particularly in Africa.

With the HIV/AIDS crisis upon us in sub-Saharan Africa, I am proud that the United States was in the forefront of starting the Global Trust Fund. We are adding another \$200 million to our other \$300 million contribution for a \$500 million contribution over 2 years to the Global Trust Fund in addition to hundreds of millions of additional dollars that are dedicated to HIV/AIDS work and many more hundreds of millions, if not billions of dollars that the Department of Health and Human Services invests in trying to find a cure for this terrible disease.

Mr. Chairman, we also are concerned about the situation in our own hemisphere. We are pleased that the Summit of the Americas last year was such a success. I will leave this afternoon for the Caribbean, where I will participate with all the foreign ministers of CARICOM in a discussion of their needs, regional security, regional counterdrug and counterterrorist activities, but most importantly

economic development in the CARICOM area. And we are anxious to move forward on our agenda for free trade area of the Americas.

I think that we have demonstrated to the world that we start at home by making sure we take care of things in this hemisphere, and that is based on fundamentals of democracy and open and free trade. I think there are enormous opportunities in this new world of post-September the 11th, but there are still continuing tragedies that we have to deal with. And no crisis, no tragedy takes more of my time than the Middle East. I was working on this up till 8 at least in conversations with the Minister of Defense of Israel, Mr. Ben Eliezer, who is here. I spent a great deal of time in recent days with Palestinian delegations and with the Foreign Minister of Israel. We need an end of violence in the region.

With the end of violence, then we can move forward into the Tenet work plan, into the Mitchell peace plan, into the vision that President Bush laid out at the U.N. last fall, a vision that includes the establishment of a Palestinian state called Palestine. President Bush was the first President to say that in an international forum. We moved quite a ways in the last year. The Palestinian state that will live side by side in peace with a Jewish state called Israel is our vision. We will not walk away from that vision. We will do everything we can to achieve that vision.

I laid down a comprehensive view after the President's statement in my speech at Louisville. General Zinni went over to try to get the process started. The process was stopped because of continued bombing, continued violence, and the presence of the ship, the *Karine A*, which showed that the Palestinians were not serious enough with respect to getting to a ceasefire.

I made it clear to Chairman Arafat directly and to his associates that until the violence is ended, or comes as close to ending as is reasonable, and until the incitement ends, until there is an explanation for this ship and then an understanding that these kinds of activities cannot take place any longer, it is going to be difficult to move forward. Once that is dealt with, the violence is down, arrests are made, explanations for the ship, then the United States is ready to engage, and I am confident that Israel will reciprocate at that point so that we can move forward.

These two peoples cannot continue to kill one another. They must find a way to move forward, and it begins with an end to the violence. Then there is a road map that will take us to negotiations that will lead us to the resolution of these most difficult issues that are yet ahead. The United States remains committed to that effort. We will do everything we can to make sure that the vision that all of the parties believe in is ultimately achieved.

We also have continuing problems with those nations that the President identified on the axis of evil, and there are others that could have been tossed into this camp. With respect to Iraq, for example, the President made it clear—let the inspectors in. You have seen speculation in the press lately that the Iraqis want to discuss this. As I said yesterday to some of your Senate colleagues, there isn't much to discuss. We know what the resolution calls for. You let the inspectors in. You are the ones who claim you don't have these weapons of mass destruction. Let the inspectors in. You are the ones who say that we are denying food and goods for your peo-

ple. Smart sanctions will take care of that; let the inspectors in. But without conditions, we don't trust you. That is why we need inspectors and that is why they have to be free to do it in any way that they think is appropriate to establish that you are not conducting the kinds of activities that we suspect of you, which you claim you are not doing.

I just might touch finally on Afghanistan, Mr. Chairman, before turning it over to your questions. We should be very proud of what we have accomplished in Afghanistan in the last 4-plus months. We should be enormously proud of the wonderful young men and women in uniform who went and did such a brilliant job with the Northern Alliance and toppled the Taliban and pushed the al-Qaeda out and has them on the run. We should be proud of our diplomats, who did such an excellent job at the Bonn Conference in creating an interim authority. There were many people who thought it wasn't going to work, couldn't possibly pull these people together, but it happened. A lot of credit goes to Mr. Brahimi and the United Nations, but also our Ambassador Dobbins and a number of people who did an excellent job in bringing this about. Now our job is to support Chairman Karzai as he starts to build from nothing.

I am very happy that also, with a great deal of help on the part of America's diplomats, we were able to put together an International Conference on Reconstruction in Tokyo, which came up with \$4.5 billion. Much more will be required. Under British leadership, the international security assistance force is off to a good start, but much more needs to be done. We need a national army created in Afghanistan. We need a national police force, and we are hard at work with Chairman Karzai and his associates to make this happen. And we have to make sure that a Loya Jurga takes place soon and we transition this interim authority into a permanent authority and then the Afghan people have a chance to participate in full and free elections within 2 years time.

Mr. Chairman, let me just close by saying that we do have lots of challenges ahead of us, lots of crises before us, but there are so many good things that are going on. A new look at Central Asia, India, Pakistan, even in the crisis situation they are in at the moment, there is an opportunity to solve that crisis diplomatically. I think we will be able to do that with continued American engagement. And when that is over, we will find that America has a new set of opportunities with both India and Pakistan that we might not have had before.

In Central Asia the great game will not break out again. America will have a continuing interest and presence in Central Asia of a kind that we could not have dreamed before. Russia, China, signs are looking good. Europe, solid. We are doing more with other parts of Asia. We are engaged in Africa. We are engaged in our own hemisphere, and we are engaged on the basis of principle, principle grounded in democracy, as the system that works and the others tend not to. We are engaged on the basis of free market economics, and we are pushing for trade liberalization and breaking down trade barriers so we can help nations start up the economic ladder, get their people out of poverty and despair. All people want the same thing for their children. Food on the table, a roof over their

head, clothes on their back, schooling, health care, and a hope for a better future for your children comes with democracy, and it comes with free market economics.

An important part of the President's speech which also undergirded our foreign policy is his talk about values in the latter part of the State of the Union speech, not American values, not European values, not even Islamic values, but universal values of freedom, of peace, God's values, giving to each man and woman on Earth the opportunity to pursue their destiny limited only by their willingness to work, the system in which they are allowed to work and by their own ambition.

That is the basis upon which we conduct our foreign policy. It is the message that I give to my staff and to my ambassadors, your ambassadors, the American people's ambassadors around the world. Manifest the world our values, don't preach to them, don't lecture them, just manifest them and more and more people will come to the understanding that that is a value system they ought to take a hard look at because it works and the others don't.

I thank you for your support, and I look forward to your continued support in doing the work of America's diplomats but, more importantly, doing the work that the American people have given to us to do.

Thank you, Mr. Chairman.

[The prepared statement of Secretary Powell follows:]

PREPARED STATEMENT OF THE HONORABLE COLIN L. POWELL, SECRETARY OF STATE,  
U.S. DEPARTMENT OF STATE

Mr. Chairman, members of the committee, I am pleased to appear before you to testify in support of President Bush's budget request for FY 2003.

Let me say here at the outset, Mr. Chairman, before I go into the details of the budget and our foreign policy, that President Bush has two overriding objectives that our foreign policy must serve before all else. These two objectives are to win the war on terrorism and to protect Americans at home and abroad. This Administration will not be deterred from accomplishing these objectives. I have no doubt that this committee and the Congress feel the same way.

As many of you will recall, at my first budget testimony last March I said I was going to break the mold and instead of talking exclusively about foreign affairs, I was going to focus on the financial condition of the department—both in terms of State Department operations and in terms of foreign operations. I did that because the resources challenge for the Department of State had become a serious impediment to the conduct of the nation's foreign policy. And you heard my testimony and you responded, and we are grateful.

Because of your understanding and generosity, we have already made significant progress and in the remainder of FY 2002 we will make more. In new hires for the Foreign Service, we have made great strides. For example, we doubled the number of candidates for the Foreign Service Written Examination—and this year we will give the exam twice instead of just once. Moreover, our new recruits better reflect the diversity of our country with nearly 17% of those who passed last September's written exam being members of minority groups. For instance, we tripled the number of African-Americans.

We have also improved Civil Service recruitment by creating new web-based recruiting tools. And once we identify the best people we bring them on more quickly. For Foreign Service recruits, for instance, we have reduced the time from written exam to entry into service from 27 months to less than a year. We are also working with OMB to create extensive new performance measures to ensure that we are hiring the very best people.

We are also well underway in bringing state-of-the-art information technology to the Department. We have an aggressive deployment schedule for our OpenNet Plus system which will provide desktop Internet access to our unclassified system for over 30,000 State users worldwide. We are deploying our classified connectivity pro-

gram over the next two years. Our goal is to put the Internet in the service of diplomacy and we are well on the way to accomplishing it.

In right-sizing our facilities and in shaping up and bringing smarter management practices to our overseas buildings program, we are moving forward briskly as well—as many of you are aware because General Chuck Williams has been keeping you informed about our progress. In fact, that is the first change we made, putting General Williams in charge and giving him assistant secretary equivalent rank. His Overseas Building Operations (OBO) has developed the Department's first long-range plan, which covers our major facility requirements through Fiscal Year 2007.

The OBO has also developed a standard embassy design concept for small, medium, and large embassies. This concept will reduce cost while speeding up construction and enhancing quality. And in making all of our facilities, overseas and stateside, more secure, we are also making good headway. By the end of FY 2002, over two-thirds of our overseas posts should reach minimal security standards, meaning secure doors, windows, and perimeters. And we are making progress in efforts to provide new facilities that are fully secure, with 13 major capital projects in design or construction, another eight expected to begin this fiscal year, and nine more in FY 2003.

I am also pleased that we have been able to improve the morale of our State Department families. We are especially proud of our interim childcare center at the National Foreign Affairs Training Center. It opened on September 4 and can handle a full complement of 30 infants and toddlers.

The idea of family and the quality of life that must always nourish that idea even in the remotest station, is uppermost in our minds at the Department. While we concentrate on the nation's foreign affairs we must also focus on caring about those Americans who conduct it, as well as the many thousands of Foreign Service Nationals who help us across the globe. For example, our sixty Afghan employees in Kabul worked diligently to maintain and protect our facilities throughout the 13 years the Embassy was closed. They worked at considerable personal risk and often went months without getting paid. They even repaired the chancery roof when it was damaged by a rocket attack. This is the sort of diligence and loyalty that is typical of our outstanding Foreign Service Nationals.

With regard to our budget, last year I told you that the out years were a source of concern to me—and they still are. In fact, given the costs of the war on terrorism, the downturn in the economy and accompanying shrinkage of revenues, I am even more concerned this year than last. But I was confident last year that I could make the case for State and I am confident this year that I can do so. We have a solid case to make, and it is the case of how we best pursue America's interests and there is no doubt in this old soldier's mind that foreign policy stands foremost among the answers to that "how." And Mr. Chairman, I am excited about the changes we've made and the momentum we've developed.

We need to keep that momentum going. That is why for FY 2003 you will get no break from me. I am going to focus on resources again this year in my testimony, because it is so critical that we continue to push the organization and conduct of America's foreign policy into the 21st Century.

Since that heart-rending day in September when the terrorists struck in New York, Virginia, and Pennsylvania, we have seen why our foreign policy is so important.

We have had great success over the past five months in the war on terrorism, especially in Afghanistan. And behind the courageous men and women of our armed forces has been the quiet, steady course of diplomacy, assisting our military's efforts to unseat the Taliban government and defeat the al-Qaida terrorists in Afghanistan.

We've reshaped that whole region—a new U.S.-Pakistan relationship, a reinvigorated U.S.-India relationship, a new Interim Authority in Kabul, the Taliban gone, and the terrorists dead, in jail, or on the run. We are also forming important new relationships with the nations of Central Asia.

In his second visit to the Department last year, President Bush told us that despite the great tragedy of September 11, we could see opportunities through our tears—and at his direction, the Department of State has been at flank speed ever since, making as much as possible of those opportunities.

And we need to continue to do so and for many years to come. We will need resources to do it, so first let me focus on my "CEO dollars", and then I will turn to foreign policy.

*The Budget Priorities for FY 2003: Department of State and Related Agencies*

The President's request for the Department of State and Related Agencies for FY 2003 is \$8.1 billion. These dollars will allow us to:

- Continue initiatives to recruit, hire, train, and deploy the right work force. The budget request includes \$100 million for the next step in the hiring process we began last year. With these dollars, we will be able to bring on board 399 more foreign affairs professionals and be well on our way to repairing the large gap created in our personnel structure and, thus, the strain put on our people by almost a decade of too few hires, an inability to train properly, and hundreds of unfilled positions. In FY 2004, if we are able to hire the final 399 personnel, we will have completed our three-year effort with respect to overseas staffing—to include establishing the training pool I described to you last year that is so important if we are to allow our people to complete the training we feel is needed for them to do their jobs. Soon, I will be back up here briefing you on the results of our domestic staffing review.
- Continue to upgrade and enhance our worldwide security readiness—even more important in light of our success in disrupting and damaging the al-Qaida terrorist network. The budget request includes \$553 million that builds on the funding provided from the Emergency Response Fund for the increased hiring of security agents and for counterterrorism programs.
- Continue to upgrade the security of our overseas facilities. The budget request includes over \$1.3 billion to improve physical security, correct serious deficiencies that still exist, and provide for security-driven construction of new facilities at high-risk posts around the world.
- Continue our program to provide state-of-the-art information technology to our people everywhere. Just as I promised you last year, the budget request will continue projects aimed at extending classified connectivity to every post that requires it and to expanding desktop access to the Internet for Department employees. We have included \$177 million for this purpose. Over the past decade, we let the Department's essential connectivity ebb to very low levels and we need to correct that situation.
- Continue and enhance our educational and cultural exchange programs. The budget request includes \$247 million for strategic activities that build mutual understanding and develop friendly relations between America and the peoples of the world. These activities help build the trust, confidence, and international cooperation necessary to sustain and advance the full range of our interests. Such activities have gained a new sense of urgency and importance since the brutal attacks of September. We need to teach more about America to the world. We need to show people who we are and what we stand for, and these programs do just that.
- Continue to meet our obligations to international organizations—also important as we pursue the war on terrorism to its end. The budget request includes \$891.4 million to fund U.S. assessments to 43 international organizations, active membership of which furthers U.S. economic, political, security, social, and cultural interests.
- Continue to try to meet our obligations to international peacekeeping activities. The budget request includes \$726 million to pay our projected United Nations peacekeeping assessments—all the more important as we seek to avoid increasing even further our UN arrearages. UN peacekeeping activities allow us to leverage our political, military, and financial assets through the authority of the United Nations Security Council and the participation of other countries in providing funds and peacekeepers for conflicts worldwide. As we have seen in Afghanistan, it is often best to use American GIs for the heavy-lifting of combat and leave the peacekeeping to others.
- Continue and also enhance an aggressive public diplomacy effort to eliminate support for terrorists and thus deny them safe haven. The budget includes almost \$518 million for International Broadcasting, of which \$60 million is for the war on terrorism. This funding will enable the Voice of America and Radio Free Europe/Radio Liberty to continue increased media broadcasts to Afghanistan and the surrounding countries and throughout the Middle East. These international broadcasts help inform local public opinion about the true nature of al-Qaida and the purposes of the war on terrorism, building support for the coalition's global campaign.

Mr. Chairman, on this last subject let me expand my remarks.

The terrorist attacks of September 11 underscored the urgency of implementing an effective public diplomacy campaign. Those who abet terror by spreading distortion and hate and inciting others, take full advantage of the global news cycle. We must do the same. Since September 11, there have been over 2,000 media appearances by State Department officials. Our continuous presence in Arabic and regional

media by officials with language and media skills, has been unprecedented. Our international information website on terror is now online in seven languages. Internet search engines show it is the hottest page on the topic. Our 25-page color publication, "The Network of Terrorism", is now available in 30 languages with many different adaptations, including a full insert in the Arabic edition of *Newsweek*. "Right content, right format, right audience, right now" describes our strategic aim in seeing that U.S. policies are explained and placed in the proper context in the minds of foreign audiences.

I also serve, ex officio, as a member of the Broadcasting Board of Governors, the agency that oversees the efforts of Voice of America and Radio Free Europe/Radio Liberty to broadcast our message into South Central Asia and the Middle East. With the support of the Congress, our broadcasting has increased dramatically since September 11. We have almost doubled the number of broadcast hours to areas that have been the breeding grounds of terrorists. The dollars we have requested for international broadcasting will help sustain these key efforts through the next fiscal year.

In addition, Undersecretary Charlotte Beers leads an aggressive effort to create and implement new programs to reach new audiences. She is working with private sector companies, government agencies, and with our embassies to create avenues to broader, younger audiences in critical regions. One of our new initiatives will focus on Muslim life in America. It will include television documentaries and radio programs co-produced with Muslim-Americans, speaker exchanges, and op-ed pieces. We know that this must be a long-term effort that will bear fruit only over time. But we must do it. Two of America's greatest strengths during the Cold War were our vigorous information and exchange programs. I believe that we can and must build a comparable capability today if we are to confront successfully the new threat to our security.

Mr. Chairman, all of these State Department and Related Agencies programs and initiatives are critical to the conduct of America's foreign policy. Some of you know my feelings about the importance to the success of any enterprise of having the right people in the right places. If I had to put one of these priorities at the very pinnacle of our efforts, it would be our people. We must sustain the strong recruiting program we began last year. At the same time, we will continue measuring our progress not simply on numbers hired but on how our new hire's enhance the Department's mission. We want to get to a point where our people can undergo training without seriously jeopardizing their missions or offices; where our men and women don't have to fill two or three positions at once; and where people have a chance to breathe occasionally. Morale at the Department has taken a definite swing upward and we want it to continue to rise and to stay as high as possible. As a soldier, I can tell you that such high morale, combined with superb training and adequate resources, is the key to a first-class offense—and that is what our men and women are, the first line of offense for America.

So, before I turn to foreign policy, let me say once again how strongly I feel as the CEO of the State Department about this part of our budget. It is essential that we have the funds necessary to pay for our operations worldwide.

#### *Foreign Policy: Successes, Challenges, and Opportunities*

Over the past year, Mr. Chairman, I believe the broader tapestry of our foreign policy has become clear: to encourage the spread of democracy and market economies and to bring more nations to the understanding that the power of the individual is the power that counts. And when evil appears to threaten this progress, America will confront that evil and defeat it—as we are doing in the war on terrorism.

In weaving this tapestry, we have achieved several successes in addition to the successes of the war on terrorism and the regional developments its skillful pursuit has made possible. Let me highlight several.

With regard to Russia, President Bush has defied some of our critics and structured a very strong relationship. The meetings that he had with President Putin and the dialogue that has taken place between Russian Foreign Minister Ivanov and me and between Secretary of Defense Rumsfeld and his counterpart, and at a variety of other levels, have positioned the United States for a strengthened relationship with the land of eleven time zones.

The way that Russia responded to the events of September 11 was reflective of this positive relationship. Russia has been a key member of the antiterrorist coalition. It has played a crucial role in our success in Afghanistan, by providing intelligence, bolstering the Northern Alliance, and assisting our entry into Central Asia. As a result, we have seriously eroded the capabilities of a terrorist network that posed a direct threat to both of our countries

Similarly, the way we agreed to disagree on the ABM Treaty reflects the intense dialogue we had over eleven months, a dialogue in which we told the Russians where we were headed and we made clear to them that we were serious and that nothing would deter us. And we asked them if there was a way that we could do what we had to do together, or a way that they could accept what we had to do in light of the threat to both of our countries from ballistic missiles.

At the end of the day, we agreed to disagree and we notified Russia that we were going to withdraw from the ABM Treaty. I notified FM Ivanov—we talked about our plans for two days. President Bush called President Putin. Then the two presidents arranged the way we would make our different announcements. And the world did not end. An arms race did not break out. There is no crisis in Russia-U.S. relations. In fact, our relations are very good. Both presidents pledged to reduce further the number of their offensive nuclear weapons and we are hard at work on an agreement to record these mutual commitments. This is all part of the new strategic framework with Russia.

We even managed to come to an agreement on how we are going to work through NATO. We are now developing mechanisms for pursuing joint Russia-NATO consultations and actions “at 20” on a number of concrete issues. Our aim is to have these mechanisms in place for the Reykjavik ministerial in May. And as we head for the NATO Summit in Prague in November, I believe we will find the environment for the continued expansion of NATO a great deal calmer than we might have expected.

I believe the way we handled the war on terrorism, the ABM Treaty, nuclear reductions, and NATO is reflective of the way we will be working together with Russia in the future. Building on the progress we have already made will require energy, good will, and creativity on both sides as we seek to resolve some of the tough issues on our agenda. We have not forgotten about Russian abuse of human rights in Chechnya, Moscow’s nuclear proliferation to Iran, or Russian intransigence with respect to revision of Iraq sanctions. Neither have we neglected to consider what the situation in Afghanistan has made plain for all to see: how do we achieve a more stable security situation in Central Asia? We know that this is something we cannot do without the Russians and something that increasingly they realize can’t be done without us, and without the full participation of the countries in the region. We are working these issues as well.

In fact, the way we are approaching Central Asia is symbolic of the way we are approaching the relationship as a whole and of the growing trust between our two countries. We are taking issues that used to be problems between us and turning them into opportunities for more cooperation. Such an approach does not mean that differences have vanished or that tough negotiations are a thing of the past. What it means is that we believe there are no insurmountable obstacles to building on the improved relationship we have already constructed.

It will take time. But we are on the road to a vastly changed relationship with Russia. That can only be for the good—for America and the world.

We have also made significant progress in our relationship with China.

We moved from what was a potentially volatile situation in April involving our EP-3 aircraft which was forced to land on China’s Hainan Island after a PLA fighter aircraft collided with it, to a very successful meeting in Shanghai in October between President Jiang Zemin and President Bush and an APEC Conference, hosted by China, that was equally successful.

There are certain shared interests that we have with China and we have emphasized those interests. They are regional and global interests, such as China’s accession to WTO, stability on the Korean Peninsula, and combating the scourge of HIV/AIDS. On such issues we can talk and we can produce constructive outcomes.

There are other interests where we decidedly do not see eye-to-eye, such as arms sales to Taiwan, human rights, religious freedom, and missile proliferation. On such issues we can have a dialogue and try to make measurable progress.

But we do not want the interests where we differ to constrain us from pursuing those where we share common goals. And that is the basis upon which our relations are going rather smoothly at present. That, and counterterrorism.

President Jiang Zemin was one of the first world leaders to call President Bush and offer his sorrow and condolences for the tragic events of September 11. And in the almost five months since that day, China has helped in the war against terrorism. Beijing has also helped in the reconstruction of Afghanistan and we hope will help even more in the future.

Moreover, China has played a constructive role in helping us manage over these past few weeks the very dangerous situation in South Asia between India and Pakistan. When I could call China’s Foreign Minister Tang and have a good discussion, making sure our policies were known and understood, it made for a more reasoned



approach to what was a volatile situation. As a result, China supported the approach that the rest of the international community had taken. Beijing was not trying to be a spoiler but instead was trying to help us alleviate tensions and convince the two parties to scale down their dangerous confrontation—which now it appears they are beginning to do.

All of this cooperation came as a result of our careful efforts to build the relationship over the months since the EP-3 incident. We never walked away from our commitment to human rights, non-proliferation, or religious freedom; and we never walked away from the position that we don't think the Chinese political system is the right one for the 21st century. And we continued to tell the Chinese that if their economic development continues apace and the Chinese people see the benefits of being part of a world that rests on the rule of law, we can continue to work together constructively.

A candid, constructive, and cooperative relationship is what we are building with China. Candid where we disagree; constructive where we can see some daylight; and cooperative where we have common regional or global interests. These are the principles President Bush will take with him to Beijing later this month. After meeting with Prime Minister Koizumi in Tokyo and with President Kim in Seoul, the President will spend a day and a half in Beijing and meet with President Jiang Zemin, as well as Premier Zhu Rongji. He will have ample opportunity to put these principles to work.

As we improved our relationship with China, we also reinvigorated our bilateral alliances with Japan, Korea, and Australia. Nowhere has this been more visible than in the war on terrorism—where cooperation has been solid and helpful.

Prime Minister Koizumi immediately offered Japan's strong support, within the confines of its constitution. And he is working to enhance Japan's capability to contribute to such global and regional actions in the future. President Bush's dialogue with this charismatic and popular Japanese leader has been warm, engaging, and productive. Always the linchpin of our security strategy in East Asia, the U.S.-Japan Security Alliance is now as strong a bond between our two countries as it has been in the half-century of its existence. Our shared interests, values, and concerns, plus the dictates of regional security, make it imperative that we sustain this renewed vigor in our key Pacific alliance. And we will.

With respect to the Peninsula, our alliance with the Republic of Korea (ROK) has also been strengthened by Korea's strong response to the war on terrorism and by our careful analysis of and consultations on where we needed to take the dialogue with the North. President Bush has made it very clear that we are dissatisfied with the actions of North Korea, that they continue to develop and sell missiles that could carry weapons of mass destruction. But we have also made clear that both we and the ROK are ready to resume dialogue with Pyongyang, on this or any other matter, at any time the North Koreans decide to come back to the table. The ball is in Kim Jong-il's court.

The Australians have been clearly forward-leaning in their efforts to support the war on terrorism. Heavily committed in East Timor already, Canberra nonetheless offered its help immediately and we have been grateful for that help. The people of Australia are indeed some of America's truest friends.

As I look across the Pacific to East Asia I see a much-improved security scene and I believe that President Bush deserves the lion's share of the credit for this success.

Another foreign policy success is the improvement we have achieved in our relations with Europe. In waging war together on terrorism, our cooperation has grown stronger. NATO invoked Article 5 for the first time ever on September 12. Since then, the European Union has moved swiftly to round up terrorists, close down terrorist financing networks, and improve law enforcement and aviation security cooperation.

Moreover, President Bush has made clear that even as we fight the war on terrorism, we will not be deterred from achieving the goal we share with Europeans of a Europe whole, free, and at peace. We continue to work toward this goal with our Allies and Partners in Europe. While in the Balkans there remain several challenges to our achieving this goal, we believe we are meeting those challenges. We have seized war criminals, helped bring about significant changes in governments in Croatia and Yugoslavia, and our military forces are partnered with European forces in Kosovo and Bosnia to help bring stability and self-governance, while European-led action fosters a settlement in Macedonia. We need to finish the job in the Balkans—and we will. We went in together with the Europeans, and we will come out together.

I also believe we have been successful in bringing the Europeans to a calmer level of concern with respect to what was being labeled by many in Europe "unbridled

U.S. unilateralism". Notwithstanding the recent reaction in Europe to President Bush's State of the Union Address, I still believe this to be true.

There was significant concern among the Europeans earlier last year that because we took some unilateral positions of principle for us that somehow the U.S. was going off on its own without a care for the rest of the world. This was particularly true with respect to the Kyoto Protocol. So we set out immediately to correct this misperception. Beginning with President Bush's speech in Warsaw, his participation in the G-8 meetings and the European Union summit, our extensive consultations with respect to the new strategic framework with Russia, and culminating in the brilliant way in which the President pulled together the coalition against terrorism, I believe that we demonstrated to the world that we can be decisively cooperative when it serves our interests and the interests of the world.

But we have also demonstrated that when it is a matter of principle, we will stand on that principle. In his first year in office President Bush has shown the international community who he is and what his administration is all about. That is an important accomplishment—and one that is appreciated now everywhere I go. People know where America is coming from and do not have to doubt our resolve or our purpose. They may not always agree with us, but they have no doubt about our policy or our position. We want to ensure that this policy clarity and this firmness of purpose continue to characterize our foreign policy, and not just with the Europeans but with all nations.

Let me just note that this sort of principled approach characterizes our determined effort to reduce the threat from weapons of mass destruction—an effort well underway before the tragic events of September 11 added even greater urgency. We and the Russians will reduce our own deployed nuclear weapons substantially. In the meantime, we are using a comprehensive approach, along with our friends and allies, to tackle WMD elsewhere, an approach that includes export controls, non-proliferation, arms control, missile defenses, and counter-proliferation. As you heard President Bush say last Tuesday night in the chambers of this Congress, "the price of indifference [to WMD] would be catastrophic." There are terrorists in the world who would like nothing better than to get their hands on and use nuclear, chemical, or biological weapons. So there is a definite link between terrorism and WMD. Not to recognize that link would be foolhardy to the extreme.

Principled approach does not equate to no cooperation. We know that cooperation is often essential to get things done. On our efforts to lift countries out of poverty, for example, and to create conditions in which trade and investment flourish, we need to cooperate. This summer in Johannesburg, we will participate in the World Summit on Sustainable Development. There we will have an opportunity to address such issues as good governance; protection of our oceans, fisheries, and forests; and how best to narrow the gap between the rich countries and the poor countries of the world. And that brings me to my next high mark in our foreign policy for the past year, Africa.

Mr. Chairman, we have crafted a new and more effective approach to Africa—the success of which was most dramatically demonstrated in the WTO deliberations in Doha last November that led to the launching of a new trade round. The United States found its positions in those deliberations being strongly supported by the developing countries, most notably those from Africa. You may have some idea of how proud that makes America's Secretary of State—proud of his country, and proud of this Congress for its deliberate work to make this possible. The Congress laid the foundation for our efforts with the African Growth and Opportunity Act—an historic piece of legislation with respect to the struggling economies in Africa. In the first year of implementation of this Act, we have seen substantial increases in trade with several countries—South Africa by 11 %, Kenya by 21%, Lesotho by 51%, and Madagascar by a whopping 117%, all based on the first three quarters of 2001 compared to the same period in 2000. Likewise, we are very pleased with the excellent success of the first U.S.-SubSaharan Africa Trade and Economic Cooperation Forum which was held last October.

A large part of our approach to Africa and to other developing regions and countries as well, will be a renewed and strengthened concern with progress toward good governance as a prerequisite for development assistance. Where conditions are favorable, our development assistance in Africa will emphasize the vigorous promotion of agriculture. Agriculture is the backbone of Africa's economies and must be revitalized to reduce hunger and to lift the rural majority out of poverty. In addition, we will emphasize fighting corruption and President Bush's new initiative on basic education. Moreover, we want to emphasize methods that directly empower individuals—methods such as micro-lending, a superb vehicle for increasing the economic participation and security of the working poor. The people of Africa in particular know that in many cases their governments do not deliver the health care, transpor-

tation and communication networks, education and training, and financial investment needed to create 21st century economies. They know that this must change if there is to be hope of economic success—of job creation, private investment, stable currencies, and economic growth.

We also know and more and more of Africa's people are coming to know that none of this economic success is possible if we do not meet the challenge of HIV/AIDS. That is why I am pleased to report that pledges to the Global Fund to Fight AIDS, Tuberculosis, and Malaria now exceed \$1.7 billion and continue to grow. Soon, the Fund is expected to accept proposals and provide grants to partnerships in those countries with the greatest disease burden and the least resources with which to alleviate that burden.

We want the Global Fund to complement national, bilateral, and other international efforts to fight these dreaded diseases. Strong congressional support will ensure that the United States remains the leader in this global humanitarian and national security effort.

I have not exhausted the list of our foreign policy successes either. In our own hemisphere we have met with considerable success. Highlights have been the President's warm relationship with Mexico's President Fox, the Summit of the Americas in Quebec, and the signing of the Inter-American Democratic Charter in Lima, Peru. Now our focus is to create a Free Trade Area of the Americas—including, as President Bush described three weeks ago, not only our current negotiations with Chile but also a new effort to explore the concept of a free trade agreement with Central America.

Moreover, we have every expectation that the Financing for Development Conference in Mexico later this month will be successful. There, the importance of good governance, trade, and private investment will be the focus. We need to keep democracy and market economics on the march in Latin America. And to be sure, there are some dark clouds moving in now, and one of the darkest looms over Colombia where a combination of narco-terrorism and festering insurgency threatens to derail the progress the Colombians have made in solidifying their democracy.

Our Andean Regional Initiative is aimed at fighting the illicit drugs problem while promoting economic development, human rights, and democratic institutions in Colombia and its Andean neighbors. Intense U.S. support and engagement has been the critical element in our counterdrug successes in Bolivia and Peru and will continue to be critical as we help our regional partners strengthen their societies to confront and eradicate this threat to their own democracies and to America's national security interests.

There is another element to this challenge caused by our intense focus right now and for the foreseeable future on the war on terrorism. U.S. military and law enforcement forces previously assigned to interdict the flow of drugs between South America and the United States have been reduced by more than fifty per cent. Because of this reduction we have less capability to stem the flow of drugs from south to north, thus we will be even more dependent on friendly countries in source and transit zones to help us deal with the drug threat.

For our Caribbean neighbors, making the situation worse are the end results of September 11—lower growth, decreased tourism, increased unemployment, decreased tax revenue, and decreased external financial flows. This economic decline is compounded by high rates of HIV/AIDS infection and financial crime, as well as the traffic in illicit drugs.

President Bush's Third Border Initiative (TBI) seeks to broaden our engagement with our Caribbean neighbors based on recommendations by the region's leaders on the areas most critical to their economic and social development. The TBI is centered on economic capacity building and on leveraging public/private partnerships to help meet the region's pressing needs. I will be visiting the Caribbean later this week to talk about these issues.

In addition to its economic provisions, the Third Border Initiative includes 20 million dollars for HIV/AIDS education and prevention efforts. This represents a two-fold increase in U.S. HIV/AIDS assistance to the region in just two years.

As you are aware, Mr. Chairman, our ties to the Caribbean region are as much cultural and human as they are economic and political. The countries of the Caribbean attract millions of American visitors every year and the region is our sixth largest export market. Large numbers of Caribbean immigrants have found their way to America, including, I am proud to say, my Jamaican forebearers. Here people from the region have found freedom and opportunity and have added something wonderful to the great American cultural mix. But our primary goal must be to help ensure that the peoples of the Caribbean find new opportunities for work, prosperity and a better life at home.

At the end of the day, it is difficult to exaggerate what we have at stake in our own hemisphere. Political and economic stability in our own neighborhood reduces the scale of illegal immigration, drug trafficking, terrorism, and economic turmoil. It also promotes the expansion of trade and investment. Today, we sell more to Latin America and the Caribbean than to the European Union. Our trade within NAFTA is greater than that with the EU and Japan combined. We sell more to MERCOSUR than to China. And Latin America and the Caribbean is our fastest growing export market. Clearly, the President is right to focus attention on this hemisphere and we will be working hard in the days ahead to make that focus productive, both economically and politically.

Mr. Chairman, in addition to the dark clouds I have described within our hemisphere, there are vexing problems that persist elsewhere, the most prominent of which are in the Middle East. The situation between Israel and the Palestinians, Iraq, and Iran are among our concerns.

With respect to the tragic confrontation between Israel and the Palestinians, we will continue to try and focus the parties on the need to walk back from violence to a political process. Our priorities have been and will remain clear: ending the violence and terror through establishment of an enduring cease-fire and then movement forward along the path outlined in the Tenet Security Workplan and the Mitchell Report recommendations, agreed to by both sides and supported by the international community. This forward movement would lead ultimately to negotiations on all the issues that must be resolved.

Israelis and Palestinians share a common dream: to live side-by-side in genuine, lasting security and peace in two states, Israel and Palestine, with internationally recognized borders. We share that hope for a better tomorrow for both peoples. President Bush expressed this positive vision in his speech to the United Nations last November, and I described it in my speech later that month in Louisville.

We must not become frustrated, or yield to those who would have us turn away from this conflict—or from this critical region. As the President has said, the United States has too many vital interests at stake to take such a step, and one of those vital interests is the security of Israel. We must not lose sight of what we have achieved through our hard work and diplomacy in the region and beyond. There is a path out of the darkness, accepted by both Israel and the Palestinians—the Tenet Workplan and the Mitchell Report. We have mobilized our friends and allies, including the UN, the European Union, Russia and others throughout the region and the world, to speak with one voice in supporting this road back to peace.

But first things first. Our positive vision will never be realized so long as violence and terror continue. The President and I, and General Zinni, have been unequivocal with Chairman Arafat. The Palestinian people will never see their aspirations achieved through violence. Chairman Arafat must act decisively to confront the sources of terror and choose once and for all the option of peace over violence. He cannot have it both ways. He cannot engage with us and others in pursuit of peace and at the same time permit or tolerate continued violence and terror. In that regard, I have made clear to Chairman Arafat that the smuggling of arms to the Palestinian Authority by Iran and Hizballah aboard the *Karine A* is absolutely unacceptable. Chairman Arafat must ensure that no further activities of this kind ever take place and he must take swift action against all Palestinian officials who were involved.

Chairman Arafat knows what he must do. Actions are required, not just words, if we are to be in the position of working effectively again with him to help restore calm and forward movement. Israel too must act. Prime Minister Sharon has spoken of his desire to improve the situation of Palestinian civilians, confronted with a disastrous economic situation and suffering daily. We have urged the Israeli government to act in ways that help ease these hardships and avoid further escalation or complicate efforts to reduce violence. Difficult as the present circumstances are, the United States will remain involved. But, in the end, Israel and the Palestinians must make the hard decisions necessary to resume progress toward peace.

With regard to Iraq, that country remains a significant threat to the region's stability. We are working at the UN and elsewhere to strengthen international controls on Iraq. In the last year, we successfully stopped the free fall of sanctions and began to rebuild United Nations Security Council consensus on Iraq. The UNSC unanimously adopted resolution 1382 in November, committing itself to implement the central element of "smart sanctions" by May 30 of this year. This central element, or Goods Review List (GRL), identifies materials UNSC members must approve for export to Iraq and ensures continued supervision and control over dual-use goods. Its implementation will effectively lift economic sanctions on purely civilian trade and focus controls on arms, especially WMD. This will further strengthen support for UN controls by showing the international community that Saddam Hussein, not

the UN and not the U.S., is responsible for the humanitarian plight of the Iraqi people. We are working with the Russians to get final agreement on the GRL.

At the end of the day, we have not ruled out other options with respect to Iraq. We still believe strongly in regime change in Iraq and we look forward to the day when a democratic, representative government at peace with its neighbors leads Iraq to rejoin the family of nations.

With regard to Iran, we have a long-standing list of grievances, from concerns about proliferation to Iran's continued sponsorship of terrorism. We have been clear in communicating to Teheran that its support for terrorism remains a serious unaddressed concern—and this includes the case of the *Karine A* transporting arms.

Teheran's latest provocation, besides the arms aboard the *Karine A*, has been its apparent unhelpful activities in the post-Taliban environment of western Afghanistan. This, after being quite helpful as we prosecuted the war against terrorism in Afghanistan and, at the Bonn Conference, being helpful with the setup of the Interim Authority in Kabul.

After citing the list of our grievances with Iran, however, I am still convinced that we may be able to talk to Iran, that we may be able to have a reasonable conversation with Iranian leaders. With respect to the situation in Afghanistan, for example, I believe we can demonstrate to them that it is not in their interest to destabilize the government that they helped to create in Bonn. The other issues will be more difficult; but I do believe constructive talks with Iran on Afghanistan are possible.

Mr. Chairman, I have not yet spoken at length about the crisis in South Asia or the war against terrorism, both of which I know are on all of the committee members' minds. Let me turn to those two very important matters now.

#### *The Crisis in South Asia*

The standoff between India and Pakistan is a very dangerous situation. Any situation where you have forces that are mobilized and are in proximity to one another and are at something of a war footing with nearly a million soldiers deployed, is a dangerous situation. One where both sides have nuclear and missile capability is dramatically more so. As President Bush and I worked this issue over the past few weeks, we noted however that there was an opportunity for a political and diplomatic solution—a solution that would avoid what could be a very disastrous conflict if it came to war.

Prime Minister Blair visited the region in early January. Chinese premier, Zhu Rongji, visited New Delhi the week of January 14. As you know, I visited New Delhi and Islamabad three weeks ago. I talked frequently by phone with General Musharraf and with my counterpart in India, Foreign Minister Singh. We talked at length about how to reach a point where the two sides could say "All right, let's start to deescalate."

President Musharraf's speech on January 12 was a seminal event. It not only dealt with terrorism and extremism in a way that I believe New Delhi found constructive, it sent a clear message to Pakistanis that terrorism must end if Pakistan is to enter the 21st century with expectations of progress and a decent life for its people. President Musharraf showed great courage and foresight in sending such a decisive message to his country and, by extension, to the Islamic world at large. Now he must show equal courage in implementing his concepts in Pakistan.

From the start of this crisis, both New Delhi and Islamabad have indicated that they want to avoid war, that they are desirous of solving the standoff through political and diplomatic means. Now, as we are seeing and as we are hoping, events seem to be progressing toward that end. We will continue monitoring the situation, urging restraint and dialogue, and helping where and when we can. We will encourage both India and Pakistan to refrain from provocative rhetoric and to move toward redeployment of their military forces. We need to continue carefully walking down from the very precarious position each country has created with respect to the other.

Mr. Chairman, let me now turn to the war on terrorism.

#### *The War On Terrorism*

A little over two weeks ago, I was in Tokyo to join the European Union, Saudi Arabia, and Japan in hosting the Afghan Donor Conference. Representatives from over 60 countries attended, as well as experts from the Multilateral Development Banks, and a number of UN agencies. The conference helped to ensure that a wide range of countries will help the Afghans rebuild their country. The United States pledged almost \$297 million at the conference and others pitched in accordingly. The total pledged at this point is around \$4.5 billion with more than \$1.8 billion for the first year. I am pleased with the first-year funds, but we must do much better for the long haul.

The heavy-lifting with respect to Afghanistan is only just beginning. We have helped the Afghans remove the oppressive Taliban regime from their country. We have destroyed the al-Qaida network in Afghanistan, with our troops mopping up some of the remnants as we speak. We have made possible the delivery of humanitarian aid, including massive amounts of food. We have avoided the wholesale starvation that many predicted. Moreover, we have helped the people of Afghanistan establish a multi-ethnic Interim Authority in Kabul, led by Chairman Karzai. One of its ultimate goals is to oversee an agreed process that will lead to a broad-based Afghan government—one that represents all the people of the country, people of every background and region, women as well as men.

We also have a rare chance to disrupt seriously the flow of opium in the world, as Afghanistan has been the world's largest source of this drug which is the base for heroin. A government that is headed toward reconstruction, toward building a new and better life for its citizens, and a government that is concerned with feeding its population and giving them adequate education, good roads, clean water, and other needed services, will *not* be a government that permits the selling of opium to the world. And such a government needs to be secure as well.

Many of our key allies and partners are contributing to the International Security Assistance Force in Kabul to help ensure a secure environment for Mr. Karzai to build a new Afghanistan. We are reviewing whether or not more forces might be needed for this force and we will continue to look closely at the security needs as we move forward. We want to do everything possible to prevent the rise of any alternative power to the Interim Authority, until a permanent government can be established and begin to take care of that challenge on its own.

Much remains to be done and admittedly a lot of what remains will be difficult to accomplish. But we believe that at long last Afghanistan is on a positive track. There is no question that this is a time of great challenge for the Afghan people, but it is equally unquestionable that this is also a time of great hope. And, as President Bush pledged last week during Chairman Karzai's visit to Washington: "The United States is committed to playing a leading role in the reconstruction of Afghanistan."

Mr. Chairman, I know that the committee met with Chairman Karzai last week. The committee members have heard first hand the desperate need but also the hope for the future. You understand that we must have a long-term commitment, from America and from the other countries dedicated to this process. If we can ensure such a commitment, and if we can achieve proper accountability and use of these funds, then I believe there is a good chance of making significant progress in bringing a new future to Afghanistan—and ending the days of warlordism and political chaos that bred the Taliban and made a fertile ground for terrorists.

And as reconstruction begins in Afghanistan, the war against terrorism continues. As President Bush said last week in his State of the Union Address, "What we have found in Afghanistan confirms that, far from ending there, our war against terror is only beginning." The administration is working together in new ways never before envisioned. And that's what this effort is going to require. FBI, CIA, INS, Treasury, State, NSC, the Attorney General and Justice Department, and others, are all coming together. This campaign is transnational, cross-border, even global in a way we have never contemplated.

What we are trying to do on the foreign policy side is to help analyze where al-Qaida cells might seek refuge. A country that immediately comes to mind is Somalia because it is quite a lawless place without much of a government and because it has been this sort of terrorist haven in the past, providing training camps, communications links, and financial cover.

We are watching Somalia very closely. Terrorism might find fertile ground there and we do not want that to happen. No plans have been made—yet. But if we find al-Qaida there, you can rest assured we will take the appropriate action.

We have also had a good dialogue with President Ali Abdallah Salih of Yemen and we believe that actions he is taking are a good first step toward the goal of uprooting the al-Qaida network there.

There are other countries we are working with as well, some of whom have their own sort of terrorist problem that has spillover into our own problem. The Philippines has the Abu Sayyaf, who in the past have had connections with al-Qaida. But this is not just a campaign against al-Qaida—it is a campaign against terrorism throughout the world.

So we are working with President Arroyo in the Philippines to assist that country in combating its terrorists—who as you know right now hold two American citizens as hostages.

We are also working with the Sudan, a country with whom we have had major difficulties in the past few years. Even before September 11 we had been working

with the Sudanese, asking them “What do you get for this? What do you get for letting people like these terrorists have safe haven in the Sudan? What does it do for you except bring down the condemnation of the world?” And they have been somewhat responsive. The problems in the Sudan are not solved by any means. But some new opportunities have opened up.

As you can see, then, part of our approach to this extended campaign against terrorism is to work with countries such as the Sudan. We are not being naive, not being unmindful of the challenges that exist, but using diplomacy, using good people like Senator Danforth and others, and at the same time cooperating together on intelligence and law enforcement activities to put a stop to easy passage or safe haven for terrorists.

We have not made any recommendation to the President about the major use of military force and the President has made no decision as yet with respect to such use of force. But there are many other actions that are taking place—actions of a law enforcement, political, diplomatic, financial, and intelligence-sharing nature.

A sizable portion of the President’s budget request is dedicated to these counterterrorism efforts, as you will see as I turn to the specific priorities of our budget request for Foreign Operations.

#### *The Budget Priorities for FY 2003: Foreign Operations*

The President’s FY 2003 request for Foreign Operations is a little over \$16.1 billion. These dollars will support the continuing war on terrorism, the work we are doing in Colombia and the Andean region at large, our efforts to combat HIV/AIDS and other infectious diseases, the important work of the Peace Corps and the scaling up of that work, and our plan to clear arrearages at the Multilateral Development Banks.

#### *War on Terrorism*

As the war on terrorism expands, it will remain the top U.S. foreign policy priority. To fight terrorism as well as alleviate the conditions that fuel violent extremism, we are requesting an estimated \$5 billion. In addition to the initiatives outlined previously under the budget for the State Department and Related Agencies, this funding includes:

- Foreign assistance—\$3.5 billion for economic and security assistance, military equipment, and training for front-line states and our other partners in the war on terrorism.
  - \$3.4 billion from Foreign Operations accounts such as the Economic Support Fund, International Military Education and Training, Foreign Military Financing, and Freedom Support Act.
  - \$88 million for programs in Russia and other states of the former Soviet Union to reduce the availability to terrorists of weapons of mass destruction. Ongoing programs engage former weapons scientists in peaceful research and help prevent the spread of the materials expertise required to build such weapons.
  - \$69 million for counterterrorism engagement programs, training, and equipment to help other countries fight global terror, thereby strengthening our own national security.
  - \$4 million for the Treasury Department’s Office of Technical Assistance to provide training and other necessary expertise to foreign finance offices to halt terrorist financing.

And Mr. Chairman, while in the FY 2003 budget request there is no money identified at the moment for Afghanistan reconstruction, I know that President Bush, the Congress, and the American people recognize that rebuilding that war-torn country must be and will be a multi-year effort. The Administration will be working closely with this committee and with the Congress to sustain our contribution in future years.

#### *Andean Counterdrug Initiative*

We are requesting \$731 million in FY 2003 for the multi-year counter-drug initiative in Colombia and other Andean countries that are the source of the cocaine sold on America’s streets. ACI assistance to Andean governments will support drug eradication, interdiction, economic development, and development of government institutions. Assisting efforts to destroy local coca crops and processing labs there increases the effectiveness of U.S. law enforcement here.

*Global Health and HIV/AIDS*

In FY 2003, we are requesting \$1.4 billion for USAID global health programs. Of this amount, we are requesting \$540 million for bilateral HIV/AIDS prevention, care, and treatment activities, and \$100 million for the Global Fund to Fight AIDS, Tuberculosis, and Malaria, to which I referred earlier. All of this funding will increase the already significant U.S. contribution to combating the AIDS pandemic and make us the single largest bilateral donor to the effort. I should add that the overall U.S. Government request for international HIV/AIDS programs exceeds one billion dollars, including \$200 million for the Global Fund.

*The Peace Corps*

All of you heard the President's remarks last Tuesday evening with respect to the USA Freedom Corps and his objective to renew the promise of the Peace Corps and to double the number of volunteers in the Corps in the next five years. We have put \$320 million for the Peace Corps in the FY 2003 budget request. This is an increase of over \$42 million over our FY 2002 level. This increase will allow us to begin the scaling up that the President has directed. In addition to re-opening currently suspended posts, the Peace Corps will establish new programs in eight countries and place over 1,200 additional volunteers worldwide. By the end of FY 2003 the Peace Corps will have more than 8,000 volunteers on the ground.

*MDB Arrears*

The FY 2003 request includes an initiative to pay one third of the amount the United States owes the Multilateral Development Banks (MDBs) for our scheduled annual commitments. With U.S. arrears currently now totaling \$533 million, the request would provide \$178 million to pay one third of our total arrears during the fiscal year. The banks lend to and invest in developing economies, promoting growth and poverty reduction. We need to support them.

*Summing Up*

Mr. Chairman, you have heard from me as CEO of the State Department and as principal foreign policy advisor to the President. I hold both responsibilities dear. Taking care of the great men and women who carry out America's foreign policy is as vital a mission in my view as helping to construct and shape that foreign policy.

As I told this committee last year and as I have already reminded it again this year, the conduct of the nation's foreign policy suffered significantly from a lack of resources over the past decade. I have set both my CEO hat and my foreign policy hat to correct that situation. But I cannot do it without your help and the help of your colleagues in the House and across the capitol in the Senate. I believe we have demonstrated in the past year that we are worth the money. I believe we have demonstrated that we can be wise stewards of the people's money and put it to good use in the pursuit of America's interests abroad. I also believe that we have demonstrated conclusively that we are essential to that process of pursuing the nation's interests. With your able assistance, we will continue to do so in the months ahead.

Thank you, and I will be pleased to take your questions.

Chairman HYDE. Thank you, Mr. Secretary, for a very substantive and instructive statement. I normally don't ask questions until all the Members are through, but I just want to make a comment on a remark my friend Mr. Lantos made. I find he and I agree far more than we disagree, which is unusual for rigorous Democrats and Republicans, but I think on the subject of foreign policy there is a lot of room for the values that are universal that you have spoken of. But Mr. Lantos was critical of the amount of money that we are spending on foreign aid, broadly speaking.

I have heard those statistics for years about 1/2 of 1 percent of our gross domestic product. Some day I would like some mathematician to calculate the contributions America makes to the well-being of the world beyond the mere dollar sum for so-called foreign aid, the military umbrella over the world, the security assistance, the Peace Corps, the nongovernment organizations that are facilitated. I think America contributes more in a wider array of assets to the world than any nation in history, and we can always do more. But I think the Congress recognizes that it is caught be-



tween an America that isn't in love with foreign aid, and a Congress that understands the need for us to play a role in keeping countries viable. And so I do not chastise America for not doing enough on foreign aid. If other countries did as much, it would be a much better world. But it's not a question, just a comment.

Mr. Lantos.

Mr. LANTOS. Thank you very much, Mr. Chairman, and let me just say what a pleasure and privilege it has been to serve with you as the Ranking Democrat on this Committee, and our bipartisanship I think has been of some help in presenting a unified front in these very difficult times. I also fully agree with your basic statement that taking the totality of our contribution to the globe in terms of its security, peace, prosperity and what not, there is nobody in our league. There is nobody anywhere near our league, and I am the first one to recognize the security umbrella and all the other aspects of our international work.

I do indeed, nevertheless, deplore the fact that as the President presents an enormous increase in our defense budget, an enormous increase in spending for home front security, both proposals I fully support, there is nickeling and diming on international diplomacy activities and our development assistance. Had it not been for this Committee's work, our aid to help with the tragedy of AIDS would have been a fraction of what in the final analysis it turned out to be. And while we clearly carry the overwhelming bulk of the load globally for creating a civilized and stable and prosperous world, that should not exempt us from carrying our share of development assistance. There is simply no reason on earth why Denmark should spend, as a percentage of GDP, almost 10 times as much on development assistance as we are spending. And while nobody expects us to jump to that proportionate contribution, I will not remain silent on the fact that our development assistance by international standards is puny, puny—large numbers of countries, Japan and Asia and the Scandinavian countries and others are doing far more.

This needs to be pointed out, and I hope the Department of State will lead the way under your leadership, Mr. Secretary, to work on this problem. You know full well that our diplomatic budget is tight. It is very tight. We have closed large numbers of diplomatic missions in the last 10 years at a time when flying the American flag as a symbol of American values across the globe is enormously important.

I remember my unsuccessful attempt during the 1980s, long before your tenure as Secretary of State, to have just a small information office with a single officer in Pristina, Kosovo, which could have helped in that crisis by moving things in a more constructive direction, and the Department of State told me they didn't have the resources to put a one-person office in Kosovo. The war in Kosovo cost us a hell of a lot more, hell of a lot more than that little office would have cost us, which might have contributed to dealing with the situation in a preventive fashion.

Let me come to my question. And before I do so, Mr. Secretary, let me thank you for a brilliant and masterful presentation. The French have a phrase for everything and they have a phrase for what you did, and it is called the "tour de horizon," the tour of the

horizon. You have done it with a total mastery of the global scene and I want to publicly commend you and congratulate you.

I would like to raise the matter of U.S.-Egyptian relations. Something is terribly out of whack in our aid program for Egypt. Over the past 15 years, we have provided roughly \$30 billion of aid to Egypt, almost two-thirds of it in military aid. Again, in the current request of the Administration, we are proposing to provide Egypt with twice as much military aid as economic assistance. Yet, Mr. Secretary, as you well know, Egypt is in more dire economic straits than ever, so dire indeed that yesterday the World Bank convened an international donors conference meeting on Egypt's behalf at Sharm El-Sheikh. The purpose of the conference is to ask the global community, ourselves included, for another \$3 billion in aid so that the Egyptian economy can muddle through a bit longer. In contrast, the robust Egyptian military is state of the art.

Mr. Secretary, the logic behind our aid programs to Egypt is incomprehensible. There is no military threat to Egypt from any source and there hasn't been one for years. Egypt is at peace with every single one of its neighbors and there is no imminent or future threat to Egypt. But there is a threat to Egypt's social fabric posed by its sputtering economy and its faltering educational system. These are exactly the same types of problems that Pakistan and Afghanistan faced 10 years ago with such tragic results. Now we don't want Egypt to become another Pakistan, so impoverished it can't feed its people or educate its children.

I must ask you, why so much military assistance? What exactly is the threat that Egypt faces that requires so much and such advanced military technology? Our national interest demands that we shift our military assistance to Egypt to developmental and economic assistance.

Let us recall, Mr. Secretary, that during the Shah's time in Iran we lavished weaponry on a then-friendly regime only to see those weapons fall into the hands of our sworn enemies following a regime change. I intend to introduce legislation to reorient our assistance program for Egypt, less military aid, more economic aid. It is time for us to phase down military assistance and replace it with investment in Egypt's people.

I would appreciate your views.

Secretary POWELL. Thank you very much. You of course know the origin of our commitment to Egypt with respect to the aid package we provide them every year. It was the government of Egypt's view that a significant percentage of that aid should be in the form of security assistance to maintain an armed force that they felt was appropriate to their needs and their national security. Although I recognize that in terms of security they are quite secure behind their borders and their geographic situation, it is a judgment that President Mubarak and his government has made with respect to the level of security they need and the kind of armed forces that they have to have.

I am not in a position right now to comment on the particular balance between security assistance and economic and development assistance, but I would look forward to seeing your legislation and see what you have in mind and then engaging with you on the

merits of the legislation and what we might do in conversation with our Egyptian friends.

Mr. LANTOS. I appreciate that, Mr. Secretary.

Chairman HYDE. Mr. Gilman.

Mr. GILMAN. Thank you, Mr. Chairman. I want to welcome our Secretary before our Committee once again and for your comprehensive review of our budget on foreign policy. We look forward to many more appearances by you and commend you for your leadership throughout the world.

Mr. Secretary, I have two important issues that I would like to take up with you. With regard to Afghanistan and your last comments about it, I would appreciate your considering that an opium crop was planted last fall in Afghanistan and it is going to be ready for harvest in a few months. And while the Karzai government has declared a strong policy banning narcotics cultivation, banning processing, banning trafficking, it clearly lacks and cannot be expected to develop the capacity to enforce that ban on its own. We were told frankly by officials in the Karzai government at the highest levels that if they could not do the job, they would look to the UN and they would look to the United States for help.

Because narcotics affects not only Afghanistan and our own Nation, but affects the entire world, I would hope that you might tell us what the Administration's plans are to try to help Afghanistan with this very critical problem.

Secretary POWELL. First, let me say we are very pleased with the approach that the Karzai government has taken to this problem. They were quick to ban it, and I was very impressed by Chairman Karzai's attitude about this. He says farmers don't get anything out of growing poppies. The distributors make the money. They would be better off just growing the food they need to live on and a little bit more, to start to earn a profit and not do this kind of cultivation. He sees it as part of his economic development to stop this as well.

I don't know that we have received any specific requests from him for support in either gathering up the crop, destroying it, finding the warehouses or what have you, but I am sure that we would be leaning forward to provide him with whatever support we can because we have a common objective.

Mr. GILMAN. I would hope that we could give him some plan to be of help.

Mr. Secretary, another important issue, as you pursue your efforts for peace in the Middle East, we are shocked by reports that Iran was smuggling mass quantities of lethal arms to the Palestinian Authority and we are pleased that you called on Arafat to take swift action against the Palestinians involved. Moreover, with regard to Iran, Israel's Minister of Foreign Affairs, Shimon Peres, following his meeting with Secretary General Kofi Annan this week, reported that Iran has stationed Iran's Elite Revolutionary Guards in south Lebanon and that Iran has supplied Hizballah with rockets, transforming Lebanon into a powder keg. Moreover Jordan's King Abdullah recently told President Bush and your office that Iran has a large scale plan to carry out terrorist attacks against Israel from Jordanian territory.

What are we doing to try to prevent all of this coming out of Iran?

Secretary POWELL. We are taking it very seriously, and we are in touch with the Lebanese government to make sure that they are not participating in this kind of activity on behalf of Iran or any organization sustained by Iran. And even though I don't talk directly to my Iranian counterparts, we do have contacts with Iran through other channels and through other countries who do have relations with Iran to make sure they understood that the President meant what he said last week. If they want to have a better relationship with the world, a relationship that they need, these kinds of activities have to stop. We also are expecting to have a conversation on this subject with Prime Minister Sharon tomorrow evening, and I had a discussion with the Minister of Defense Ben Eliezer about it last night.

We are taking it seriously, and we are gathering our own intelligence with respect to activities within Jordan and Lebanon, and we are going to make sure that the Iranians understand that this is inappropriate and that there are consequences to bear. There is a great struggle going on in Iran between those forces who are aligned with President Khatami, who is trying to change policies, and those forces aligned with Mr. Khomeini, the religious leader of the country. And I should have touched on it in my summary, but it is in my prepared statement, that we are seeing some positive things from Iran, the positive role they played in the Bonn Conference and the positive role they played in the Tokyo Reconstruction Conference for Afghanistan. But the negative role they are playing in some parts of the government is with respect to trying to gain influence over events and authorities in western Afghanistan and some of the meddling they have been doing in Kabul.

We are making it clear to the Iranians that you have to choose. If you want to be part of a world that is moving forward, it is time to stop being a state sponsor of terrorism, get out of the axis of evil column, and make a choice, make a choice that we think your people want you to make and not the choice that your unelected government has been making in recent years.

We are very sensitive to the points made by Shimon Peres and by King Abdullah, and we are using the channels that are available to us to bring pressure on the Iranians.

Mr. GILMAN. I am pleased to hear that. Just one last item. New York Times last month reported an extraordinary interview with Saudi's Crown Prince Abdallah, who told his interviewer with relation to accusations that American news media had been conducting a campaign to tarnish the image of Saudi Arabia, and I quote, "The people of the Kingdom have not been affected by what certain newspapers publish, and you know who is behind the media." He is obviously making an anti-semitic illusion.

Mr. Secretary, I hope you will have an opportunity to discuss these kinds of statements being made by the Saudi leadership.

Secretary POWELL. We do on a rather regular basis, and we remind them that we have a free press that is not controlled by any one group and they should have been around us as friends long enough to understand the nature of our free press and that these kinds of statements are, one, wrong, and, two, unhelpful and,

three, undignified and not reflective of the kind of relationship we have with Saudi Arabia.

Mr. GILMAN. Thank you very much. Thank you, Mr. Chairman.

Chairman HYDE. I am going to ask Members to be a little more crisp in their commentary because we try to get around to everyone and let the Secretary leave at a decent hour before darkness sets in.

Ms. Berkley of Nevada.

Ms. BERKLEY. Thank you very much, Mr. Chairman, and it is a great pleasure to see you, Mr. Secretary. Before I begin I would like to associate myself with Mr. Lantos' comments and observations. I am a bit of a junkie. I stay here all day and put in 12, 14, 16 hours and then I go home and turn on C-SPAN or CNN or any of the news networks to find out what else is going on that I missed.

Last week I had the opportunity and great pleasure to meet with the very impressive interim leader of Afghanistan and heard his requests for incredible amounts of money to rebuild his nation. There is literally nothing left, they need everything from food, shelter, housing, infrastructure. It is just an enormous, enormous burden that he has and his requests are enormous as well, and I was very moved by him and what he is facing. But then when I got home and turned on the television and heard while he was here asking us for relief, there are warlords, competing warlords in Afghanistan that are still waging war against each other and against the people of Afghanistan.

Now I say that and want to continue this thought. This Nation responded to this unprecedented and horrific attack of September 11, and I must say my constituents rose to the occasion. I represent Las Vegas, and the resolution and the resolve that my constituents have in support of this Nation's policy against the terrorists has been very heartwarming to me and mirrors my own resolve. But because of the demographics in my district, I have the fastest growing senior population, veterans population, school age population and now unfortunately the fourth highest unemployment rate in the Nation because of our heavy reliance on tourism. It is going to be my constituents that are going to bear the brunt of the needs of the rest of the world as this Nation continues and pursues its policy against the terrorists.

Now we know in addition to Afghanistan, we are talking about Pakistan, Syria, Lebanon, Yemen, Somalia, Iran, Indonesia, Iraq, North Korea, and that does not exhaust the number of nations that harbor terrorists or the terrorist nations themselves.

Given your background, your knowledge of what happened in Vietnam, and your own personal philosophy, what do I say to my constituents who are going to be taking a tremendous hit that we are going to dip into Social Security and we are not funding education as adequately as I believe we should. Our veterans are taking a hit with this budget, and quite frankly I agree that I don't think your State Department budget is enough for the needs that you have and the commitments that we have throughout the world when it comes to the State Department.

How do I look my constituents in the eye and tell them that their sacrifices are going to bring an end to terrorism? What is our end

game? What is our exit strategy? Do we go into nation after nation after nation and is there an end to this? What do I tell my constituents when they look at me and say where are we going? At what point do we declare victory? What is victory in this new type of war?

Secretary POWELL. I don't know when we will be able to declare victory.

Ms. BERKLEY. And what is victory also?

Secretary POWELL. I think victory can be identified by reaching a state where people are no longer afraid of terrorist activities, where they can go about their lives and not be concerned about the things that happened on the 11th of September or the kinds of car bombings that take place in Jerusalem or the kinds of terror that is meted out by the FARC in Colombia. It will take us a long time to reach that state.

But I would also say to your constituents that the first thing we have to do is make sure the Nation is secure with a well-funded State Department and especially a well-funded military. One of the reasons that the military gets such a high claim on the budget, and homeland defense activities as well, is because these are accounts that have been very seriously neglected in recent years and we have to make sure that that is taken care of. When you have established homeland security and people feel more secure within our country, they will start traveling more. They will start going to all those wonderful conventions in Las Vegas where I used to speak.

Ms. BERKLEY. We don't want you speaking; we want you gambling.

Secretary POWELL. What we have to do is invest in those things that provide us the level of security that gives our people a level of comfort. When that level of comfort is returned and nobody is concerned about getting on that Continental Airlines or whatever it is that will take us into beautiful Las Vegas, with that wonderful view as you land at the airport, that will come again once people are confident, comfortable in their safety to travel and they are confident that their government is doing a good job in bringing terrorism under control, if not totally under control but under control enough so we can get back to where we were a year and a half ago.

There isn't a lot that I can say to the constituent who is unemployed and isn't terribly interested in terrorism or any ideology or anything else. They need a job, and that job will come once we have people moving again and once we put terrorism in proper perspective.

I say to everybody now while we are fighting terrorism, while we are building up the Defense Department, Homeland Security and the State Department, let us go on with the Super Bowl, let us go on with the Olympics, let us get back to Las Vegas, let us get back to New York, let us go to Atlantic City, let us not be scared in our basements because we are Americans. We have guts. We know how to go about life, and let us get out to Las Vegas. We need to hear those—well, I better not say that.

Chairman HYDE. Mr. Secretary, there are two votes pending, so we will stand in recess. I ask the Committee to return promptly after the second vote so we may continue.

Thank you.

[Recess.]

Chairman HYDE. The Committee will come to order. Mr. Secretary, before we proceed with further questions, would you give us your estimate as to when you should leave?

Secretary POWELL. Thank you, Mr. Chairman. I really have to leave at 1:15 to catch a plane. I am leaving the country. Of course, I would have loved to stay for the rest of the day and evening and into tomorrow.

Chairman HYDE. We will submit written questions to you at least bilingually. Very well. With that admonition, that means we have about an hour. I would again appreciate the Members being as brisk as they can.

Secretary POWELL. I will respond accordingly, sir.

Chairman HYDE. Mr. Leach.

Mr. LEACH. First, Mr. Secretary, let me say that I thought that was as thoughtful and thorough a presentation in a short time period that any Secretary of State has given and we are appreciative of that, and we recognize your humor in your desire to stay with us.

I am particularly pleased that you have made a distinction between governments and people; that is, an axis of evil may exist but it applies to government leaders and government policies, whereas we identify with the plight of people, of societies that don't represent their interest. I am also very pleased with your new emphasis on seeking with Russia greater restrictions on the level of nuclear armaments.

What I would just like to talk about for a second is the new challenge to American foreign policy that we never really dealt with as a foreign policy issue, and that is the word "biology." Here the Chairman has noted that there are a lot of things we do in foreign aid that don't come under the foreign aid budget. Arguably the greatest foreign aid the United States gives the world is our biological research, and the President's budget has a very significant increase in National Institutes of Health funding, which is a real plus; also in terms of domestic defense into the biological centers that exist in every State.

But I am very concerned, because we have a convention called the Biological Weapons Convention, and for many years we have been trying to upgrade its capacity for verification. I hope the Department of State takes this under review in a serious way.

But the final issue I want to mention is AIDS. AIDS has been on the docket for quite a few years, but under the last Administration there was an assumption, at least an articulated belief, that Congress couldn't go along with much funding and therefore they proposed very little. You have very forthrightly taken a lead in this area. You have indicated some increases in funding which are quite significant and, after all, in terms of threats to world civilization, biology is probably a greater threat than terrorists, and that is quite positive.

On the other hand, I think we reached a point that Congress is going to be exceedingly forthcoming. And so my question to you is, if Congress is forthcoming on this issue, are you going to be willing as an Administration to work with greater commitments than so far have been presented?

Secretary POWELL. With respect to HIV/AIDS? Yes. Very early in the Administration we saw the implications of the HIV/AIDS crisis, and I proposed to Secretary Thompson that we go to the President and create a joint task force with me and Secretary Thompson as co-chairs and that we really get involved. The President bought it in one meeting. Do it, get going. And then when the idea of the Global Trust Fund was bouncing around there, we grabbed it with Kofi Annan and gave it life and meaning with a \$200 million contribution. I wish it could have been 20 billion. But it was a start. And now we have gotten that up to 1.7 billion and asking \$200 million additionally this year, 100 million in my account and 100 million in Tommy Thompson's account on top of all the other funding we do for HIV-related research and other things. I think this is a signal of the seriousness with which we viewed this.

I went to Africa and visited some of the most affected countries, and we now have the Global Trust Fund up to the point where requests for proposals have gone out and grants will be issued in the not too distant future.

Yes, it will continue to have high priority from the Administration and any resources that Congress makes available to us, we will make sure to use effectively in training, prevention, finding a cure.

Mr. LEACH. Thank you, sir.

Chairman HYDE. Mr. Berman?

Mr. BERMAN. Thank you, Mr. Chairman, and because of the Chairman's admonition, I won't pursue different strategies for doing well in Las Vegas and Atlantic City. I do have a preface to my question, though.

Since the State of the Union reference by the President to Iraq, Iran, and North Korea as an axis of evil, a number of pundits and some of my colleagues have questioned the wisdom of those comments. Their criticisms run along the following lines: One, the President is signaling his intention to take on all three countries in a military campaign at a cost in human and fiscal terms to our Armed Services and our taxpayers many times greater than the one we are now engaged in; secondly, that he assumes contrary to the weight of the evidence that all three countries are in alliance against us; third, that he is foolishly ignoring the growing movement for reform and modernization in Iran and the budding pro instincts of young people there, and thereby inadvertently helping to thwart those trends and force Iran into a closer relationship with Iraq; fourth, that by his inclusion of North Korea he is ignoring the potential of negotiating an end to North Korea's nuclear weapons programs and its testing and proliferation of missiles, and is undercutting the bold diplomatic efforts of the South Korean government.

I don't agree with these views and I have a different interpretation of the President's comments. I think he was pointing out the connection between the development and proliferation of weapons of mass destruction and the governments that aid and harbor terrorist organizations or provide other forms of assistance to state-sponsored terrorism, that he was putting those countries on notice that if these dangerous policies don't change, there would be trouble ahead.



As to Iran, I think what he was saying is that notwithstanding the existence of some very exciting trends there, the unelected powers in Iran that appear to control military and foreign policy and intelligence matters needed to continue to pursue weapons of mass destruction support and finance terrorist organizations, played a critical role in the supply of the dangerous weapons and explosives to the Palestinian Authority, are acting to destabilize west Afghanistan and perhaps also provide some sanctuary to al-Qaeda terrorists; and it is those unelected leaders who are the key obstacles to reform and democracy and the enemy of those movements in Iran.

And as to North Korea, notwithstanding some mixed signals early in the Administration, the present posture of the Administration is that they are prepared to pursue negotiated resolution of these very disturbing activities in North Korea, and it is the North Koreans at this time who have not taken up the offer to negotiate.

With Iraq, what I would like you to do is—you have done it to some extent already—but to clarify a little more what you think the President meant and also answer this one specific question. It is hard for a lot of us to believe that the simple return of inspectors to Iraq will seriously deal with that which causes us to think that as long as Saddam Hussein is there the war on terrorism won't be over. The time has passed, the disbursement of their programs, the general way in which they deal with the inspectors, even when they are there, will mean that we won't find what we need to find. If we put all our eggs in that basket, we are making a mistake.

Secretary POWELL. First, your analysis is absolutely 100 percent perfect and I give you an A-plus on what the President said. That is exactly what the President said. And some of the comments that you started with and people criticized the President's speech for were not terribly different from comments that people made a number of years ago when Ronald Reagan called Russia an evil empire, and it was. And guess what? By so saying it, he clarified the situation. He cleared the air and ended up helping the Russians deal with the problem they had, and I think he had the same kind of intent in mind when he used the axis of evil.

With respect to Iraq, to keep my answer brief, the inspectors are part of the UN strategy. Notwithstanding how that unfolds, we still have a U.S. policy of regime change because we believe Saddam Hussein should move on and that the Iraqi people deserve better leadership. We also have a policy of using a no-fly zone to protect people in the north and south parts of Iraq from this despotic regime.

With respect to the inspectors, the President has said repeatedly, let them in as part of our support of the UN position. I have no illusions about the ability to hide something from inspectors. But these are very well-trained people who will go from the base of information they had when they were asked out in 1998, and they have to be left in there for a considerable period of time to look around. Now you can hide things from them at the end of the day, but the very fact that they are there makes it a requirement for you to hide your programs and does have a deterring effect and does have the ability of making sure that there is nothing that is covert and, thereby, it hinders their ability to do those things that

we have no doubt they will continue to try to do. It will be just a lot harder for them to do it in the presence of inspectors.

Chairman HYDE. Mr. Smith of New Jersey?

Mr. SMITH. Thank you very much, Mr. Chairman, and, Mr. Secretary, thank you for being here and for your excellent testimony. I think all of us would agree that you, President Bush, Secretary Rumsfeld, Attorney General Ashcroft and our military forces have done a superb job in both fighting the war on terrorism and explaining to the world the consequences of evil. The President has made it clear that the line of demarkation between those who respect freedom and the rule of law, and those who embrace terrorism, has tangible consequences. Every nation has a chance to join us in the struggle and be against evil, or to be an enabler or sponsor of that heinous crime.

In like manner, Mr. Secretary, I would respectfully submit and ask that other serious human rights abuses receive no less scrutiny, attention and resolve. Clearly the tens of millions of victims of abuse worldwide cry out for sustained robust intervention against those crimes. While these abuses lack the visibility of the horrific events of 9/11, human rights abuses are no less awful than terrorist acts.

As you know, last year Congress gave the White House more tools to crack down on the modern day slavery of human trafficking, and I am certain that you will use all that we have given you—and come back and ask for more if it is necessary—to stop the trafficking of women, especially into this country, for forced prostitution.

In light of the President's upcoming trip to China, I would focus a moment on that very briefly. The government of China today, as you know, aggressively uses torture, forced abortion, religious persecution and the jailing of democracy and labor rights activists to suppress and control dissent. To international audiences, they exude respectability and they do enter into dialogue on a surface level. I have met with Li Peng in China. Many of us on this Committee have met with Jiang Zemin here in Washington, and that dialogue is good. But to the victims of their cruelty it is no less painful, harsh and often lethal than if the Taliban or al-Qaeda were meting out the abuse.

Forced abortion, as we all know, was properly ruled a crime against humanity at the Nazi War Crimes Tribunals that were held in Nuremberg. China today, on a massive scale far larger than that of the Nazis, uses forced abortion to exploit and control women and to murder their babies. Enablers like the U.N. Family Planning Agency (UNFPA) have whitewashed these crimes for more than 2 decades. Dr. John Aird, a recognized expert on China's population program, was at a meeting we had recently with some victims who had been forcibly aborted. He said much is being made about the December 29 law passed in China in Beijing, and he points out that its primary purpose is to strengthen the enforcement of population control. He also points out that there have been brutal acts, more frequent than any in earlier years, of torture and killing as part of this program of forced abortion. The program remains coercive by design and intention. Claims of moderation put forth by the UNFPA and repeated in the United States press lack

any foundation. The coercion, Dr. Aird concludes, will continue as long as the United States and other countries go on ignoring the human rights violations in China's population program and providing financial support and encouragement for it.

I know that this Administration believes passionately in the right to life and in all human rights. I just ask you to put this higher on the visibility—on the dialogue and let there be a tangible consequence if China just talks and promises but does nothing to mitigate these egregious abuses. I ask you, especially in light of the upcoming trip to China, that the President be very robust in pressing that deeds need to match their words. Because they always say to international audiences, "Oh, we are for volunteerism," but the proof is overwhelmingly the other way.

Secretary POWELL. Thank you, Mr. Smith, and you can be sure that the President does feel that way. In fact we were discussing it earlier this morning as we got ready for the trip. And I also thank the Congress for the support they have given us and the added resources. We are in the process of opening the Trafficking in Persons Office and making sure that it is up and running. We are very sensitive to the concerns you have raised and we will raise them with the Chinese later this month.

Chairman HYDE. Mr. Ackerman of New York.

Mr. ACKERMAN. Thank you very much. Welcome, Mr. Secretary. I think most of us think that this was the best presentation by a Secretary of State since most of us have been here—some of us—for a pretty long time. Then again we expect nothing less from a New Yorker.

I want to just tag on to something that Mr. Berman mentioned with regard to North Korea, and you appropriately give a lot of credit to the President. But I want to extend kudos to you for being sometimes the very lone persistent but persuasive voice within the Administration to help others see a better way to get to our objectives from the beginning of the Administration, and you deserve much credit for that.

On the Middle East, I want to put a pitch in for some additional money for Jordan for the current calendar year—and I know that we have some money in there for 2003. The King has done, as you are aware and with your encouragement, some spectacular work on the peace process, new that he is to his throne. They have elections for the first time in quite a number of years in Jordan, and there are some actors there that are vying in the political process. It behooves us to make sure that the King can demonstrate that the conditions on the ground because of his cooperation with us are worthy of continuing the Administration that they have in their Parliament and not make it more difficult on the King. And the request that they have made, and I know the Israelis have echoed very strongly, is that the King is very deserving of this kind of money. In the next fiscal year it is important, but this is the year that it really counts.

I do have a question for you. The Administration's review that we have seen and read about on our relationship with Chairman Arafat after the Karine A seizure, a few of us, as have you, have seen what is to be seen and heard and what is to be heard about this. The Chairman's direct personal, irrevocably sure participation

in the ordering and attempt to procure these weapons, kind of belies the whole premise that he is a partner in the peace process. Yet then, again, we don't have too many people with whom to deal on his side. We have endorsed—the President has—a Palestinian state. You have said that and reiterated that here, and we have given the Palestinian side an awful lot to encourage them down the road that we hope they will finally embark upon.

My question is, we had an act or bill that we proposed here—myself, Mr. Lantos, Mr. Gilman—the Middle East Peace Commitments Act. It was incorporated in the appropriations bill adopted by the House and got watered down in the Senate. I know that at the time, and this was before the Karine A, that you had some strong objections to that.

You said a couple of moments ago with regard to another area of the world about what President Reagan had to say, had to call it, with regard to the evil empire and that helped move the process along. Isn't it time this Administration said what is indeed the truth with regard to Mr. Arafat's participation in terrorism? And at this point, as some of us are reinvigorating the Middle East Peace Commitments Act to reevaluate it to see if you would support it, we have a waiver in there for the President. He has to evaluate whether they are meeting their obligations under Oslo and other accords. There are sanctions that go with that, but we have made sure that the President's hands and yours are not tied in foreign policy and given a national security waiver. Shouldn't we be calling the shots the way it is?

Secretary POWELL. First, on Jordan, I agree with you totally. We have a pretty good piece in 2003, as you noted, and I met with King Abdullah last week and he knows we will do everything for him in 2002.

With respect to Chairman Arafat, as I said earlier, it is our belief based on what we know that the Palestinian Authority does have to take responsibility for the Karine A. I cannot tie it directly to Chairman Arafat on the basis of the information that is available to me, but it is certainly a case where he should have known and may well have known. I just can't prove that he did know or had direct control over the operation. But it is close enough that the Authority has to take responsibility for it.

With respect to your proposed legislation, I would always be willing to take a look at it to see whether or not it does or does not hinder our ability to conduct foreign policy in this very difficult area. Frankly, I need as much flexibility as I can get in order to walk the very fine line between these two peoples and their government, and anything that constrains the President's ability to walk that fine line and to do zigs and zags from day to day I don't think is helpful, but I would be more than willing to take a look at it again, Mr. Ackerman.

Chairman HYDE. Ms. Ileana Ros-Lehtinen of Florida.

Ms. ROS-LEHTINEN. Thank you very much, Mr. Chairman. Mr. Secretary, it is a pleasure to have you with us again. I am glad that your wife, Alma, and my husband, Dexter, took our exchanges on the quickies well last time. I will keep it clean this time.

Secretary POWELL. Is the Chairman going to make it worse again this time as he did last time?

Ms. ROS-LEHTINEN. I am glad that you have made him a participant.

Chairman HYDE. I won't dignify that with comment.

Ms. ROS-LEHTINEN. Mr. Secretary, you stated that the U.S. supports multilateralism, but when it is a matter of principle, the U.S. cannot shirk its responsibilities or commitments. We then have to do it alone. The President has reaffirmed the U.S. position that there will be no weakening of U.S. sanctions toward my homeland of Cuba—against Fidel Castro—until this dictatorship complies with three conditions, and he said it over and over again: It must free all political prisoners, legalizes all independent groups and political parties, and hold free, and fair, multiparty, and internationally supervised and recognized elections.

President Bush has also underscored his commitment to increase support for the internal opposition that does exist, the pro-democracy movement that is growing stronger in Cuba, all policies opposed by many of our allies. The President has also denounced Cuba as a state sponsor of terrorism and for the regime's espionage activities of the U.S.

I know that you firmly support the President's strong stance on Cuba but would appreciate your elaborations on your reference to help bring our European allies and other supporters of the U.S. to support our basic fundamental policy of isolating the tyrant while supporting freedom and democracy for those opposition groups.

And regarding the Lourdes espionage base, you mentioned expanding relations with Cuba and the call from Mr. Ivanov that you were making as you approached the Hill. We know the Bush Administration's tireless efforts to ensure that Russia's Lourdes espionage facility in Cuba is dismantled and rendered inoperable so that no other enemy of the U.S. can use it to undermine our national security.

What have Russian military and security officials said to you about the delays in carrying forth President Putin's commitment to withdraw from Lourdes and dismantle it?

And regarding Israel, the capture of the Karine A—and I was in Israel with Congressman Ackerman—the shipment of weapons heading for the coast of Gaza from Iran is one of the most egregious examples of Arafat's continued violations of his commitment and clear evidence, I believe, of the Palestinian Authority's involvement with the world's most dangerous terrorists, including Iran, which was specifically highlighted by President Bush as one of the axis of evil. President Bush and Vice President Cheney are to be commended for their strong statements denouncing the shipment.

Would you not agree that the Palestinian Authority and Arafat, as most recently evidenced by the Karine A incident, have made a strategic choice to engage in and support terror and thus should bear the consequences of such a choice?

As President Bush so eloquently stated after the 9/11 terrorist attacks, you are either with us; that is, against terror, or you are with the enemies of freedom and with the enemies of the United States and our principles.

I have other questions about the Jewish Community Center bombing in Argentina, U.S. terrorism strategy in the Western

Hemisphere and the United Nations, which I will submit to you in writing.

Thank you, Mr. Secretary.

Secretary POWELL. Thank you very much, Congresswoman.

With respect to Cuba, our policy of course is absolutely unchanged. In fact, this morning the President and I discussed it once again because there are always others who think that we should back off the very strong principal position we have taken with respect to sanctions against Cuba, the embargoes. And the President reaffirmed, although I did not need any reaffirmation, that he has not blinked in the slightest with respect to our policies on Cuba. There are nations elsewhere who have different views on this, but they run straight into our solid wall of resistance to changing our policy or to different views on this subject.

With respect to Lourdes, the Russians remain committed to its removal. I can't tell you the current hiccups with respect to the speed with which it is removed, but I will ask Igor when next I speak to him. But they remain committed to it, and we were with President Putin right after he made the decision. He told us it was a difficult one for him but it was a decision that was firm and he will stick with it.

With respect to the Karine A, both we and the Israelis are talking to associates of Chairman Arafat who are here and who were visiting with Prime Minister Sharon last week and saying it is time to make a strategic choice. If one has been made that says that they are going to continue in the direction that we have seen in recent weeks with things like the Karine A, then that leads you down a dead-end and you have to now make a strategic choice that says you want to be part of a process that leads to a ceasefire and peace discussions. It cannot be made any more clear in the starkest terms to Mr. Arafat that it is time for him to make a strategic and correct choice as opposed to the many strategic incorrect choices he has made over the years.

Ms. ROS-LEHTINEN. Absolutely. The best quickie I have had all week.

Secretary POWELL. You can't let that go by.

Chairman HYDE. Samuel Goldwyn had a phrase, "Include me out."

The gentleman from New Jersey, Mr. Payne.

Mr. PAYNE. Thank you very much, Mr. Chairman. Good to see you, Mr. Secretary.

Just quickly, as we have been dealing with the war on terrorism, I am concerned about the influence on the Horn of Africa and I have a question regarding the war in Somalia. We have seen, in Sudan, that there appears to be an easing of U.S. opposition to the horrible Khartoum government. I understand that our special envoy, Mr. Danforth, said that if three or four issues are covered, one includes a commission to study whether slavery exists. This is something that has been verified, abductions 5 or 6 years ago. The fact is that they have neutral zones which have been violated, the government still bombs its own people and still uses food as a weapon. There are still 4 million displaced, 2 million dead, it goes on. But our position in the war on terrorism seems to legitimize the

government of Sudan because they say, well, even though Osama bin Laden lived here for 5 or 6 years, we are changing over.

However, in Somalia, especially with the new film, *Black Hawk Down*, going over the tragedy there, it seems that there is starting to be a hype on going into Somalia. To me, with this struggling Somali transitional government, I just wonder if there is any information that connects them with al-Qaeda or Al-Ittihed organizations where we are pushing there but looking the other way with Sudan.

Real quickly as I conclude, because I know time is short, with the volcanos in Congo, with the people drowning in Nigeria, with all of this happening, we have a \$23 million decrease in the ESF funds. All of Africa will probably get less than 800 million. I know we can't do everything in the world, but there are over 800 million people, so this is less than a dollar a person. The war on terrorism is our number one issue. It takes a year-and-a-half for all 800 million people to receive what we allocate in 1 day, a billion dollars plus a day, on the war on terrorism. And some people think that some of these things are correlated on foreign assistance, how we help fledgling governments.

The final real question is that CARICOM is meeting in Belize right now. They are saying, let us release the money in Haiti that is there in the Inter-American Development Bank. A special mission just returned from Haiti that was there from 28 to 31 of January, and we still are saying no. The country has so many problems. The poverty is getting worse. And I am wondering whether we can instruct our votes on the Inter-American Development Bank to take another look. They are struggling. CARICOM said they are pleased with what they have seen. They just reported back yesterday in Belize. Is there some way the U.S. could change the policy of withholding money to Haiti?

Thank you.

Secretary POWELL. If I could answer quickly, with respect to Sudan, we are still holding them accountable for terrorist activities and terrorist offices that are still located in Khartoum, but they have done quite a bit in the last 4, 5 months with respect to removing some of these organizations from the Sudan and also cooperating with us in intelligence and law enforcement activities.

Senator Danforth had some success on his mission. We are very pleased with that, and we are going to build on that success. We managed to get an agreement to have a ceasefire in the Nuba Mountains region, and I think that was a step forward. There is still a long way to go and we will continue to hold the government in Khartoum responsible for bombing its own people. We have told them we cannot go forward and try to resolve the outstanding issues if they continue to act in such a despicable way.

We are not going to back off on that. And we have not suddenly lost sight of the nature of this government or the activity that it has undertaken over time. But at the same time it is important for us to engage with them and with the SPLA and others in the south in order to find a way to move forward and end the bombing and end such things as slavery and the other reprehensible activities that take place and find a way to solve this crisis which has been going on for 2 decades now.

In Somalia we are not looking for a way or an opportunity or an excuse to invade. We are watching to see whether or not terrorist organizations are finding the destabilized situation in Somalia as fertile ground to undertake new activities or to find a safe haven, and we will continue to watch that and take action as appropriate. But we are not looking for a new excuse in which to enter Somalia with the armed forces of the United States. We are just watching very carefully off the Horn of Africa to see where these terrorist organizations might be going.

With respect to Goma, we have done quite a bit with respect to relief efforts, and I have been in touch with a number of relief organizations and talked to Reverend Jackson after his meetings here 2 weeks ago as to what more we might be able to do.

With Nigeria, we have underway now an assessment team to see what explosive ordnance demolition people we might send to the area or get from other countries to go there and help with the very serious problem they now have in getting rid of all of these dud munitions that were spread around by the explosions.

With respect to the CARICOM meeting in Belize, they are all leaving Belize and heading over to Nassau, where I will meet them tomorrow morning. I will be able to hear their assessment firsthand and take a look. We have said that President Aristide must be held to account for a number of steps that the previous Administration, the Clinton Administration, put down, which we think are reasonable steps for him to take and standards for him to meet before we release the money out of the Inter-American Development Bank and other financial assistance to the country. It is desperately in need, but we have to make sure that it does something about the difficult political situation that causes such instability in the country. Otherwise the aid will not be properly used.

Chairman HYDE. The gentleman from California, Mr. Rohrabacher.

Mr. ROHRABACHER. General, nice to see you again. I was pleased to hear that right before you came here you were on the phone to Igor, your Russian counterpart. I know with your advice the President believes that our relationship with Russia is perhaps one of our most important in the world and that they can be our most valuable friend if we treat each other correctly. I agree with that assessment and I think that is going to reap a lot of benefits for our people.

India, too, can be a good friend. Let me note, however, the best thing we can do to make them our friend is to end this conflict in Kashmir. The United States has not had a good record with that in the past, and I might just say that the conflict will never end until the people of Kashmir are given the right to make the decision as to what will happen for their own future through a ballot box. In the past the United States has never stressed that, and I would hope that this Administration would begin to stress the importance of letting the people of Kashmir determine their own destiny through a ballot box, which will then help end the conflict that is so threatening to the subcontinent.

India and Russia are important to us because of what I would like to lead into, and that is China. And as we are fighting our war on terrorism, I hope we do not lose sight of the fact that China has



not in any way democratized. Russia may have opposition parties and newspapers and people who aren't afraid to speak up anymore. They have got some problems, yes, but in China we have none of that, and we have horrendous human rights abuses in China. And just pointing it out to them without having any consequences if they don't do anything about it, which is what the last Administration did, leads us nowhere. In fact, it makes them think that we don't really mean what we say.

So I hope we bring it up to China that there will be consequences if they continue these abuses, especially if while they are not doing anything to promote democracy, we know they are at this time expanding their military and acting in a belligerent way. I know your job is to maintain peace between our nations and try to bring a little bit of progress there.

When they shut down or crashed into our airplane, I will say that was an act of belligerency, and it is as simple as that. They continue to get away with that type of thing, and it will not lead to a more peaceful world.

And finally, about Afghanistan, I have been very deeply involved with this over the years, as you know, and I would hope that we move forward very quickly in helping the Afghans with the demining effort. I believe Mr. Lantos has a piece of legislation about demining that is totally parallel to that goal. A lot of these mines are things we gave them during the war and we haven't helped dig them up. We also need to make sure we are aggressive in offering crop substitution to those farmers with poppies. Now we can spray the poppies from the air, which is what we should do, but at the same time we need to be on the scene telling those farmers that we are going to give them a subsidy. We give our own farmers a subsidy. It is going to be a lot more costly to follow that heroin down the trail of our streets if we don't.

And my last point, and that is that the State Department in the past and the other Administrations have always opposed the return of King Shah to Afghanistan. At times when I was trying to set up something to oppose the Taliban and I visited all the countries around Afghanistan trying to get some support for the anti-Taliban forces, our own State Department would follow me and say this kid doesn't speak for anyone but himself and King Zahir Shah has no support there.

Well, the Zahir Shah will be returning, and let me predict that when he does you will see the largest outpouring of affection by the Afghanistan people than for any other leader that has ever set foot in Afghanistan or has been in Afghanistan for the last 50 years. So I would hope that our government recognizes the affection they have for Zahir Shah and uses it to keep the progress toward democracy going.

Secretary POWELL. On the last point we do understand that, and, as you know, members of my Department reached out and have been in touch with Zahir Shah consistently since we came in office, and we are looking forward to seeing his return. I am quite sure it will be just the kind of outpouring that you suggest. If not necessarily the political leader, he is the moral force.

Chairman HYDE. Mr. Sherman of California.

Mr. SHERMAN. Mr. Secretary, thanks for being with us, and for your outstanding statement, but I almost wish that I wasn't here to hear it because I could also be on the floor debating this tax bill. That is the real reason why the Administration has given you a cut in foreign operations, and our only hope to avoid that cut is a supplemental that goes around the budget process. But I realize you don't make the fiscal policy for this Administration. I hope that you will continue to be an advocate inside the Administration to explain that foreign operations and diplomacy, especially public diplomacy and radio broadcasting, can be dollar for dollar more important to our security than even defense expenditures or homeland defense expenditures.

Moving on from that, I want to also commend the Administration. It is the natural thing for this country to wait until we are attacked. Even Franklin Delano Roosevelt did not lead us into a preemptive defense in World War II, and I have got to admire your whole Administration for the courage and the foresight you have shown to take on the nuclear program of Iraq and the other countries you have mentioned instead of just waiting until they develop nuclear weapons, which would be the normal response. Frankly, I think would have been the response of this country if we were not awakened by September 11.

I think the debate on missile defense has obscured an important fact, and that is how easy it would be to smuggle a nuclear weapon across our borders or into one of our harbors. We simply can't allow Iraq to develop nuclear weapons.

My first question is, just how strong is the resolve of this Administration? How certain can we be that unless Saddam surprises us and allows the most incredibly intrusive inspection program imaginable that the American military will be deployed against him, or is there a risk that we will go back—not completely to sleep, but pacify ourselves with the idea that we are working to overthrow him in some slow method over which we would not control the timing and as to which most of the Iraqi dissidents have disappointed us in the past, especially as to their accountability for the funds we have given? How certain can we be that this Iraqi nuclear program will be stopped in the next year?

Secretary POWELL. Let me answer it this way, Mr. Sherman, by saying the President is examining a full range of options on how to deal with Iraq. Let the inspectors in, he said, as part of the UN effort. And regime change is something the U.S. might have to do alone. I would not like to go into any of the details of the options that are being looked at, but it is the most serious assessment of options that one might imagine and he's leaving no stone unturned as to what we might do.

With respect to the nuclear program, there is no doubt that the Iraqis are pursuing it. The best intelligence we have suggests that it isn't something they have ready to pop out in the next year or so. It would take them quite a bit longer than that in the absence of external help. But nevertheless, we are convinced that they are continuing to pursue such programs. It is a lot harder to do if you have inspectors running around the country unfettered, which is the only way I think they can be allowed in the country.

The direct answer to your question, but not the complete answer to your question, is that the President is determined to keep this on the front burner and is looking at all the options that are available for him to deal with this in a decisive way.

Mr. SHERMAN. Does the Administration have any doubt that the Palestinian Authority leadership at the highest levels was behind the Karine A episode and authorized that import of destabilizing weapons?

Secretary POWELL. We are convinced that it was done with knowledge of the Palestinian Authority at a high level. I cannot say at the highest level.

Mr. SHERMAN. My time has expired. Thank you.

Chairman HYDE. Mr. Royce, the gentleman from California.

Mr. ROYCE. Thank you, Mr. Chairman. Secretary Powell, you mentioned the African Growth and Opportunity Act and the benefit that is having in terms of economic development. I just returned from leading a CODEL to southern Africa and would like to share with you the result in terms of overnight job creation. We saw five different plants and businesses employing over 30,000 people. And to see Africa, which had been marginalized from the world economy, now attracting hundreds of millions of dollars in investments because of AGOA, is satisfying.

However, the House passed last November an AGOA 2 bill into the Senate, and I would like to ask for your assistance in getting that legislation dislodged from the Senate and onto the President's desk. I believe, as you have well articulated on many occasions, it is in our national interest to see that Africa has a fighting economic chance.

Another point I wanted to make was that I hope we are considering sanctions on Liberian timber, which is being clear-cut with no thought of the ecological consequences to this and frankly is going to fill the coffers of Charles Taylor, Incorporated.

Lastly, I wanted to raise the issue of presidential elections scheduled for March in Zimbabwe. We had an opportunity when we were in the region to talk to many people about Zimbabwe. Many political opponents have been recently murdered there. The press is under siege. I talked to one reporter who was tortured for 9 days. The Mugabe government is getting into it deeper and deeper with Libya. Qadhafi is helping fund many of these operations. Paramilitary gangs are roving the country looking for opponents, and anybody who happens to be a member of a union, a teacher, a farmer or farm worker are identified as a potentially anti-Mugabe victim, and at that point they are beaten. And the leaders in the region, the governments in the region, heads of state and parliamentarians tell us that people are fleeing by the tens of thousands over the borders and are creating a refugee crisis in neighboring countries.

In December, President Bush signed the Zimbabwe Democracy and Economic Recovery Act, calling on the Administration to start the process of cataloging so we could impose economic and travel sanctions on those specific individuals who are responsible for the breakdown of rule of law there. Basically that would be President Mugabe and his inner circle, who are laundering money out of the country. We have written to the Administration urging that these

personal sanctions be imposed. I would like to ask when might these smart sanctions be imposed on Mr. Mugabe and his cronies.

Secretary POWELL. On AGOA 2, I would like to see that come out. We have definitely proven that AGOA 1 is the way to go. If time permitted, I would love to share with the Committee my experience on textiles and textile products and textile quotas and how every undeveloped nation and region in the world wants access to our market for clothing because it is such a labor intensive industry. It sucks up lots of labor. It is easy to enter. The technology is not difficult. It has been known for 150 years, and it allows so many people with no other means to support their family to get into the workplace for the first time. But it is difficult to find a balance with respect to our own industry and the opportunities we can provide to other nations, but we do support that.

With respect to Liberian timber, let me get back to you. I am not sure if we have identified that as one that we have to go after with sanctions.

[The information, submitted after the hearing, follows:]

SECRETARY POWELL'S RESPONSE TO QUESTION OF THE HONORABLE EDWARD R. ROYCE, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

*Question:*

*Are we considering sanctions on Liberian timber, which is being clear-cut with no thought of the ecological consequences, and which will fill the coffers of Charles Taylor, Incorporated?*

*Answer:*

Yes. Timber exports are a major source of revenue for President Taylor. Our goal is to deny Taylor control of that revenue used to support his destabilization activities. Some U.N. Security Council (UNSC) members blocked our attempts last year to impose U.N. sanctions on Liberian timber.

We are willing to consider mechanisms to put revenue from timber and other natural resource exports in an escrow account to benefit the Liberian people. If this is not feasible, we are prepared to press for a ban on timber exports from Liberia when existing sanctions come up for review in May. We anticipate some UNSC member opposition (including France and China) to such sanctions, because President Taylor is seeking to project an image that the Liberian people are already benefitting from the timber industry.

We expect the government of Liberia to implement its recent agreement with the U.S. nongovernmental organization, "Conservation International," and others to preserve 30 percent of Liberia's forests as national parks.

Secretary POWELL. Zimbabwe, I think you know that I have spoken out strongly over the past year with respect to the actions that President Mugabe has taken. There is going to be a refugee crisis if this continues. It is really going to be affecting South Africa, and we have been talking to our South African friends about it. And with respect to the legislation last year and travel sanctions, the travel sanctions are in the process of being imposed. I am not sure whether they have been imposed or not, but we are certainly going to use the legislation that was provided to us.

Chairman HYDE. The gentleman from New Jersey, Mr. Menendez.

Mr. MENENDEZ. Thank you, Mr. Chairman. Mr. Secretary, let me join all of my colleagues in commending you for your service and your work on behalf of our country. It is really exemplary and we commend you. I just want to make two prefatory comments.

One is that I, as someone in my 10th year of sitting on this Committee and being an advocate of minority recruiting, particularly

with African American and the Latino community, I look forward to the day when everybody who is sitting behind you will be as diverse as America is. In this opportunity for new hires, giving the test and having more people take the exams is great. Then we have the oral exams, which seem to be the bar that is used to disqualify people from finally entering the ranks, and I hope there is some sensitivity in that regard to try and improve that.

Secondly, as the Ranking Democrat on the Western Hemisphere Subcommittee, where I have sat on for the last 10 years, I hope that in your broad expanse of issues that you have to discuss that we give a little more attention to what is happening right here on our front porch, so to speak, and our back yard. The growing economic crisis in Argentina, the situation that continues to evolve in Colombia and the democracy challenges in Venezuela are only some issues that I think need some great attention and more than a passing comment, understanding that you have—when you are talking about the world, an enormous challenge. I think we tend to short-change ourselves in our own hemisphere in not paying more attention beyond the free trade of the Americas, which I think is very important.

I want to echo the remarks made about the budget, and I know you have heard this many times, but simply to say if we are going to defeat the terrorists then we must not only beat them in the battlefield but we must beat them in the streets. We must win the hearts and minds of young people throughout the world, many who live in grinding poverty, desperation and hopelessness, and we have to offer them better alternatives so they don't fall into the hands of the terrorists. And in that regard, our foreign diplomacy, our public diplomacy, all of the efforts of the State Department are crucial. I think Americans finally create the connection as they ask, well, why do these people hate us so much? I think that there is still an unprecedented opportunity to make that connection for average Americans that in their lives, the reality of whether it be in security or in promotion of our economic well-being abroad, that we have a unique opportunity.

Let me ask you these questions. The President is going to be going to Monterrey, Mexico in March for the International Conference on Financing for Development. I will be introducing the Social Investment Fund for the Americas, something we have been working for quite awhile. Trade is great, but when over half of the people of the hemisphere live below the poverty level, in and of itself trade won't solve many of our problems.

So I would like to hear what the Administration is going to propose in Monterrey. I would like to hear why we went from last year's budget summary document that said that UN Population Fund provides, "crucial assistance to developing countries and countries with economies in transition," and then we zero that out in this budget. So I would like to hear why did we have a zeroing out.

And lastly, an amendment that I offered in this Committee when we were doing the State Department reauthorization with reference to the Kyoto process was basically asking the Administration to stay engaged in the Kyoto process. I have yet to hear a viable alternative from the Administration on an issue that an over-

whelming majority of scientists who study climate change tell us is very pressing. Could you give us an update on what the Administration policy is, in terms of staying engaged in the Kyoto process, and what do we expect to hear from the Administration in the Johannesburg conference coming up?

Secretary POWELL. Yes, sir.

Mr. MENENDEZ. I did that all within my 5 minutes.

Secretary POWELL. On minority recruiting, I am very proud of the success we had last year by tripling the number of minority applicants for the Foreign Service written exam. I am using members of my staff to follow up with these young people to make sure they actually show up for the exam. And if they do pass the exam, we make sure they show up for the oral exam.

We think mentoring has to begin at the front end of the process, because I do want to see a State Department that is as diverse and beautiful as all of America. We had a couple of years in the 1990s when they didn't recruit at all. Two years of no recruiting. It was sinful that that happened, and we are just starting to fix that problem and catch up. And as we catch up, I want to make sure it is the kind of a force that will make us all proud.

If you look at my written statement, you will see I did touch on those Latin American countries. In the interest of time I couldn't stop at every place, Mr. Menendez, but we are worried about Argentina and following it closely. I have said some things with respect to the situation in Venezuela. And Colombia is a particular challenge. In what is otherwise a hemisphere that has a great deal of promise, there are these kinds of difficulties that we still have to deal with.

With respect to the Monterrey Development Conference, I don't have a specific proposal to share with you today, but we are hard at work with preparatory conferences to see what it is we can take to Monterrey and then get ready to carry on that work through other preparatory conferences for the summit in Johannesburg on sustainable development. But I don't have a specific proposal. As we do come up with our ideas, I hope we can make them very public so we can go with a strong delegation to Johannesburg and with solid proposals.

On family planning, we are debating this within the Administration now as to what number should be in against that item, and there is a process going on now to come up with the right answer to that question. I hope you will allow me to provide that answer for the record as we get further in.

[The information, submitted after the hearing, follows:]

SECRETARY POWELL'S RESPONSE TO QUESTION OF THE HONORABLE ROBERT MENENDEZ, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW JERSEY

*Question:*

*Why did we go from last year's budget summary document that said the U.N. Population Fund provides, "crucial assistance to developing countries and countries with economies in transition," and then we zero that out in this budget? Please explain why the zeroing out.*

*Answer:*

The Administration continues to broadly support the important work of UNFPA worldwide and, specifically, its response to the emergency needs of vulnerable populations. At the same time, we remain mindful of our obligations under the Kemp-

Kasten amendment to the annual Foreign Operations, Export Financing and Related Programs Appropriations Act, which provides that no U.S. funds can go to an organization that supports or participates in the management of a program of coercive abortion or involuntary sterilization.

The Administration is also attentive to periodic reports of abuse and coercion in China's family planning program and the recent allegations of UNFPA's complicity in coercive family planning practices in China. These allegations assert that UNFPA's program in China is in violation of the Kemp-Kasten amendment. While we are aware of UNFPA's response that it is not involved in coercive practices and is, in fact, supporting a program that stresses the importance of voluntarism and non-coercion, it is incumbent upon us to review these allegations.

The issue of UNFPA funding in light of these allegations is under review.

Secretary POWELL. On Kyoto, we have had some very interesting meetings within the past week on what the U.S. proposals should be. We can't say we are not for Kyoto without presenting an alternative view. An alternative view is coming along, and I hope that the President will be making some decisions in the very near future which will show to the world that we are committed to reducing greenhouse gases and committed to being a responsible partner with the rest of the world. Even though it may not be within the Kyoto Protocol framework, you will see the United States taking action that deals with this problem in an effective way that does not seriously degrade our economy as a result of trying to seriously reduce the emission of greenhouse gases. I think you are going to see a very responsible proposal come forward from the President.

Chairman HYDE. Mr. Secretary, the vote is on the floor, and your time has come when you wished to leave or needed to leave. So let me speak for the whole Committee and say this has been highly instructive and interesting and substantive, and we thank you very much.

[Whereupon, at 1:10 p.m., the Committee was adjourned.]





## A P P E N D I X

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### MATERIAL SUBMITTED FOR THE HEARING RECORD

PREPARED STATEMENT OF THE HONORABLE TOM LANTOS, A REPRESENTATIVE IN  
CONGRESS FROM THE STATE OF CALIFORNIA

Thank you, Mr. Chairman. Today marks the Committee's inaugural hearing of the session, and your presence, Mr. Secretary, underscores the importance of our upcoming work.

Let me begin by echoing the Chairman's praise. Since September 11th, you have risen to the challenge, and in so doing, you have elevated the Nation. Thank you, Mr. Secretary, for your extraordinary patriotic service during these very trying times. You make America proud.

Now, nearly five months after September 11th, we have come to understand better the long-term impact of that fateful day. As the hijacked airliners slammed into the World Trade Center and the Pentagon, the kaleidoscope of international politics was violently shaken, scrambling the patterns of power.

Today, all of the great powers are united against the forces of barbarism. Not since the end of the Second World War have all the great nations of the civilized world—including China, India, Russia, Europe, India, Pakistan—joined in common cause against a common enemy.

But the new patterns of power are by no means permanent. Indeed, with his State of the Union address, the President again has shaken the kaleidoscope. He has widened our focus to encompass not only the perpetrators of the September 11th attacks and the regimes that protect them, but also the rogue states that develop the instruments of mass destruction that terrorize the civilized world.

Preventing Iraq, Iran, and North Korea and other rogue states from developing and spreading weapons of mass destruction, however, will not pacify them. Ultimately, we must seek to transform these states from outlaws to responsible members of the international community. We must use all levers of power we possess to accomplish this historic mission. After the Second World War, the United States and our allies were the catalysts for regime change in Germany and Japan, leading to their democratic transformation. Now, in the wake of September 11th, we must again be the catalysts for regime change in Iraq and other states threatening our interests and values.

Mr. Secretary, it is with this new mission in mind that I assess the Administration's international affairs budget proposal and find it sorely lacking. The President proposes increasing our defense budget by nearly \$50 billion, a proposal I strongly support. At the same time, however, his request for international affairs spending represents an actual *decrease* compared to the funds provided by Congress last year.

To win the war against terrorism, we need more than smart bombs. We need smart diplomats, secure embassies and stepped-up international broadcasting and foreign assistance that advances the world's march toward democracy and freedom.

Our chronically low level of international affairs spending is a national disgrace—only compounded by this new budget proposal. The United States spends less than one tenth of one percent of our Gross Domestic Product on international development assistance, while our friends in Norway, Denmark, and the Netherlands spend proportionately ten times as much. Mr. Secretary, you have correctly called America's diplomacy our first line of defense. By that measure, this budget will leave America vulnerable and much too dependent upon our military.

There is no better example of the dangers of shortchanging diplomacy than is Afghanistan today. Had we invested only a fraction of what the international community now plans to spend in assistance after the Soviets withdrew in 1990, the Taliban would never have emerged, Usama bin Laden would never have found refuge, and we would not be waging war in Afghanistan now.

I am especially dismayed by the cuts this budget will force on our international broadcasting and public diplomacy programs. These initiatives are critical to broadening international understanding of the United States and the values that form our foreign policies. We cannot win the information war, and hence the war against terrorism, if we shortchange our public diplomacy.

Finally, I am profoundly disturbed by the recent remarks of your Cabinet colleague, Treasury Secretary Paul O'Neill, who made clear his contempt for foreign assistance, dismissing it as ineffective and wasteful. The Administration—and the country—would do well to disown his irresponsible remarks and recommit itself to strengthening U.S. national security through increased and effective foreign assistance.

Mr. Secretary, I am anxious to hear your testimony today and welcome your insights into these pressing issues. Thank you.

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PREPARED STATEMENT OF THE HONORABLE ROBERT MENENDEZ, A REPRESENTATIVE  
IN CONGRESS FROM THE STATE OF NEW JERSEY

INTRODUCTORY REMARKS

Mr. Secretary, thank you for coming today. I know that I am not alone in my appreciation of the excellent work you have done, and continue to do, in behalf of our nation.

THE INTERNATIONAL AFFAIRS BUDGET AND GLOBAL POVERTY

Mr. Secretary, if diplomacy is the first line of defense, I'm afraid that the International Affairs budget you are presenting falls way short in bolstering that first line. I think it is a shame that the Administration has chosen not to take the bold step of complementing the \$48 billion increase for the military with a meaningful and strategic increase beyond the requested \$1.4 billion increase for the International Affairs 150 Budget Function—particularly in our bilateral and multilateral assistance accounts.

Some talk about a new Marshall Plan after 9/11, with levels of spending on international affairs much larger than what it is today. Those levels may or may not be warranted. But it seems to me that we have missed an opportunity.

In unveiling his budget, the President reminded us that this year's military budget request increase is the largest in twenty years. It is a shame that we are not also touting the largest International Affairs budget increase in twenty years, as our national interests require at this critical moment in our history. I believe it is not sufficient to merely tout support for the so-called front line states, along with a few other minor increases, as meeting our national security interests.

If we are to defeat the terrorists, we must not only beat them in the battlefield, but we must beat them in the street. We must win the hearts and minds of young people throughout the world, many of whom live in grinding poverty, desperation and hopelessness. We must offer them a better alternative so that they do not fall into the hands of the terrorists. Additionally, the world would see concretely the great generosity of the American people, and the American people would see their security enhanced.

As you probably are aware, the World Economic Forum released a poll during their New York conference last week in which it surveyed 25,000 people in 25 countries regarding attitudes toward globalization. The poll found that a majority support economic globalization, although a significant number also worry that globalization may harm the environment, cause job losses and widen the gap between rich and poor countries.

Douglas Miller, President of the poll's co-author, Environics International, urged leaders to capitalize on the apparent shift in public opinion following the terrorist attacks against the United States.

"In this post-11 September world, citizens in the richest countries feel new urgency to ensure that those in the poorest countries gain some tangible advantage from globalization". He added that, "Society may be at an historic moment when the importance of addressing global poverty is matched by the self-interest, the willingness and the capacity to do so." Indeed, it is in our national security and economic interests to address the needs of the world's poor.

The poll also found broad support for foreign aid to developing countries—even among populations, such as ours, that have traditionally been skeptical about foreign assistance. And that is the key, it seems to me. It is time we put our money where our mouth is in terms of tackling poverty around the world.

That is why I will soon be introducing a Social Investment Fund for the Americas so that we may in our own hemisphere have a deliberate and exclusive focus on addressing the needs of the half of this region's population that is poor.

We have before us an increase here of 5 percent, and I support that. But it falls short. I believe that we have missed an important opportunity.

Also, I understand the President will travel to Monterrey, Mexico in March to participate in the International Conference on Financing for Development. As I have stated, we must increase the amount of development assistance that rich countries devote to improving education, health, food and nutrition, sanitation, housing, and job opportunities in poorer countries.

#### FUNDING FOR THE UN POPULATION FUND

Last year, in your budget Summary Document you stated that you would provide \$25 million for the UN Population Fund (UNFPA), that "provides critical assistance to developing countries and countries with economies in transition". The FY2002 Foreign Operations bill included a bipartisan agreement to provide \$34 million for the UNFPA, an increase of \$9 million over the President's request. This year, your budget "zeroes out" funding for the UNFPA, unless you will be coming forward with an amended presentation.

The UNFPA provides life-saving, voluntary family planning and maternal health services to the poorest women around the world. The organization promotes safe pregnancy and delivery for mothers and children, and works to prevent teen pregnancy and stem the transmission of HIV/AIDS in developing countries.

It is my understanding that the UNFPA *does not* provide support for abortions or abortion-related activities anywhere in the world, nor does it promote or provide support for involuntary sterilization or coercive practices of any kind.

#### A UNITED, JUST AND PEACEFUL CYPRUS

Mr. Secretary, since I was first elected here I have been advocating on behalf of peace, justice and prosperity in a united Cyprus. I understand that we have a new willingness on behalf of Turkey to work out a peaceful settlement that would unite the island—as it should be. I must say that I have my doubts here.

#### KYOTO PROTOCOL TO THE UNITED NATIONS FRAMEWORK CONVENTION ON CLIMATE CHANGE

Last year, the Administration in my view blundered its handling of the Kyoto Protocol to the United Nations Framework Convention on Climate Change (UNFCCC) by stating, without much consultation with anyone either here in Congress or internationally, that it would not further participate in the Protocol after ten years of international negotiations.

In the wake of the horrific attacks of 9/11, we must view this issue with even more urgency from a *national security* perspective. The Intergovernmental Panel on Climate Change (IPCC) has stated that food security, desertification, droughts, floods, increases in disease such as malaria, and adverse effects on coastal settlements among other issues will hit developing nations hard, especially in Africa and Asia and the Pacific.

This Committee passed an amendment asking the Administration to stay engaged in the Kyoto process. We have yet to hear a viable alternative from the Administration on an issue that the overwhelming majority of scientists who study climate change tell us is very pressing.

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#### PREPARED STATEMENT OF THE HONORABLE STEVE CHABOT, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF OHIO

Welcome, Mr. Secretary. It's always good to see you. We all appreciate your good work. You have one of the most difficult jobs imaginable and I think your efforts to bring together a coalition of diverse participants to fight the war on terrorism have been nothing short of heroic. America is quite fortunate to have you representing our nation around this incredibly unsettled world.

As you know, I've spent a lot of time in recent years on the issue of international parental child abduction. You have been supportive of our efforts and I know that those left-behind parents who have been so terribly affected are appreciative of your efforts.

Last week, Sally Quinn wrote a very timely article for the Washington Post headlined "Does Germany Condone Kidnaping?" She highlighted some of the more outrageous cases where custodial American parents have not only been denied custody

of their children but have even been denied visitation rights as well. She cites the infamous Joseph Cooke case and points out that the German government insists that Mr. Cooke's kidnaped children are better off in German government foster care than with their American father.

She also cites the case of our friend, Lady Catherine Meyer, the wife of Great Britain's ambassador to the United States, who has only been able to spend a few hours with her stolen children in the last 8 years. German courts have consistently rejected her efforts to seek a fair resolution.

She writes of an American military officer who has been imprisoned in Germany for non-support of children he has been allowed to see for only one hour in the last 7 years. And, sadly, she tells of an American father, who, last month killed himself, after his children were kidnaped by their German mother.

Meanwhile, the German Foreign Minister has criticized the United States government for its treatment of captured terrorists—those whose goal is to murder Americans. I'll try to be diplomatic and not even comment on that. Perhaps you would like to.

While Ms. Quinn's article highlighted only Germany, we know that other countries have exhibited the same arrogance. Austria is a prime example. You are familiar with the case of Tom Sylvester, of Cincinnati, whose stolen daughter Carina, has been denied all but minimal visits with her father since October of 1995. Even when Austrian courts, including the Supreme Court, ruled in Mr. Sylvester's favor, the Austrian government refused to enforce the rulings. Mr. Sylvester lives with this heartache every day.

Mr. Secretary, we appreciate your support on this issue and we look forward to continuing to work with your department on behalf of the stolen American children and their left-behind parents. I hope that, at some point soon, we can get together to discuss the Sylvester case, and finally reunite Carina with her long-suffering father. They have been denied their basic human rights long enough.

Switching gears, I'd just like to compliment you on your strong remarks before the Senate Foreign Relations Committee yesterday with regard to the resumption of weapons inspections in Iraq. Clearly, as you pointed out, the burden is on Saddam Hussein to demonstrate that the Iraqi regime is not developing and stockpiling chemical, biological, and nuclear weapons. And I do hope that you will be successful in working with other world leaders to implement a more effective sanctions regime.

Again, Mr. Secretary, I thank you for your testimony this morning and I applaud you for your good work on behalf of our great nation.

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PREPARED STATEMENT OF THE HONORABLE ELIOT L. ENGEL, A REPRESENTATIVE IN  
CONGRESS FROM THE STATE OF NEW YORK

Mr. Secretary, thank you for appearing before us today to discuss the International Affairs Budget request for FY 2003.

September 11th was the wake-up call for the United States. Our nation is in the process of shifting many of our resources toward defending ourselves and protecting our allies against the threats of the 21st Century.

Terrorism doesn't just happen because leaders order it. Terrorists are bred to hate. And we must stop the hate. Children around the world are taught that our values are wrong and represent fundamental evil. This must stop. In order to put an end to terrorism, nations must stop teaching hatred in their schools and encouraging acts of hatred in their streets.

We are engaged in a war against terrorism. This war is a coordinated military, diplomatic, political and educational campaign. Our nation is working to promote our values around the world, to bringing democracy and freedom to oppressed nations, and to fostering prosperity through economic development. While we are promoting these values, there are others who sow hatred and oppression among their citizens. These are the leaders who educated, trained, sponsored and operated the terrorists cells who attacked the World Trade Center and the Pentagon. These terrorist groups cannot act on their own. Rather, they have states who provide them with the funds and the infrastructure they need to recruit and train their members.

In his State of the Union speech, President Bush pointed to the "axis of evil." I appreciate the reference to the Axis powers that carried out the most evil we have ever seen in the past. President Bush cited a new Axis made up of North Korea, Iran and Iraq and defined the Axis as countries who are sponsoring terrorism and developing weapons of mass destruction. These countries, and others who fit this description, are a threat to the United States' interests around the world, and we must stop them as part of our campaign against terrorism.

I welcome you our Committee, Mr. Secretary, and look forward to your presentation.

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PREPARED STATEMENT OF THE HONORABLE BARBARA LEE, A REPRESENTATIVE IN  
CONGRESS FROM THE STATE OF CALIFORNIA

Thank you, Mr. Chairman and Mr. Lantos. I want to express my appreciation and esteem to you, Secretary Powell. Your efforts to build international cooperation and to look beyond the immediate horizon and consider the long-term implications of our policies are much appreciated.

We all recognize that September 11th changed the world, and we are all still struggling to understand this new international domain in which we find ourselves. Today, I would like to focus my questions on our policies toward Africa and the developing world.

On the one hand, since the 11th, we can say that Africa has received increased attention from the United States, or certainly increased concern. We worry that weak states and porous borders may facilitate terrorism. We know that poverty and despair can feed anger and violence. But Africa, we must remember, is a continent, not a breeding ground. And it is a continent that faces devastating health crises.

1. I want to commend you for demonstrating your commitment to making the U.S. response to the global HIV/AIDS pandemic a priority. Both the Clinton and Bush Administrations have recognized this crisis as a serious national security issue. I am very concerned, however, to see that increases to AIDS funding are coming at the expense of fighting other preventable diseases, effectively robbing Peter to save Paul. What message will we be taking to the U.N. Special Session for Children in May by making major cuts to the Child Survival and the Infectious Disease accounts?

Also, while the United States made a good first step last year by contributing \$250 million to the Global Fund to Fight AIDS, Tuberculosis, and Malaria, this country has not yet reached the bar raised by HR 2069, which the House passed last year, authorizing funding at three times that level. Countries around the world are developing action proposals that won't be able to be funded with the current level of investment. When will the administration increase the level of funding to the Global Fund? Do you expect an increase beyond the President's budget for the Global Fund, and if not why?

2. In looking at Africa, it is difficult to look beyond the tragedies of today, but we must also take a longer term view. The World Bank reports that Africa will suffer most of all from projected global climate change, and we know that the U.S. is responsible for a quarter of all the world's greenhouse gas emissions. When the Administration announced that it was withdrawing from the Kyoto process, it promised a comprehensive alternative. Can you tell us what form our alternative program is taking and how we are working with the international community to reduce emissions and to deal with the effects of global climate change?

3. My third question concerns the need for international family planning and the damaging effect of the global gag rule. The Administration has completely eliminated funding for UNFPA and has proposed a steep cut in USAID funding for international family planning programs. Can you tell us what the Administration's justification is for these steep cuts, which may well eliminate vital healthcare programs for poor women in developing nations? Also, can you tell me what the total spending on family planning is in the President's budget?

4. As we address HIV/AIDS in all regions of the world, I would also like to raise with you the alarming situation in Haiti. As you know, due to the humanitarian crisis in Haiti, including an explosive AIDS crisis, the CBC has recently written President Bush to request a meeting to discuss the withholding of multilateral assistance to the Government of Haiti and the overall direction of US policy. I have recently received reports that a CARICOM delegation to Haiti issued positive reports about the situation there and called on the international community to release all assistance to Haiti. I understand that you are leaving for Haiti later today. Can you tell us about your potential discussions with CARICOM leaders and will Haiti be on that agenda?

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PREPARED STATEMENT OF THE HONORABLE RON PAUL, A REPRESENTATIVE IN  
CONGRESS FROM THE STATE OF TEXAS

Mr. Secretary, thank you very much for appearing before this Committee today and for explaining the priorities for the 2003 fiscal year International Affairs Budget. Unfortunately, this budget represents more—much more—of the same approach

that has failed the United States time and time again. This is a budget and approach to international affairs that stresses the same strategy of interventionism in the affairs of other nations.

A good deal of the international affairs budget goes toward supporting one side or the other in various conflicts across the globe that have nothing to do with American interests. This only creates anger and resentment abroad; it in no way furthers our national interest. Mr. Secretary, have we not by now seen the folly of taking sides in conflicts that do not concern us?

This budget still funds organizations like the Export-Import Bank (Eximbank). The Eximbank takes money from American taxpayers to subsidize exports by American companies, which are for the most part large, politically powerful corporations. These corporations can certainly afford to support their own exports without relying on the American taxpayer. It is not only bad economics to force working Americans, small business, and entrepreneurs to subsidize the exports of the large corporations: it is also immoral.

The budget contains some 725 million dollars for Contributions for International Peacekeeping Activities. Mr. Secretary, as of December 2000, according to the Defense Department, there were more than 250,000 U.S. military personnel deployed overseas on six continents in 141 nations. All the while, when the United States faced the prospect of an armed attack from abroad after September 11, the taxpayer found that there were not sufficient resources available to defend this country. Thus, NATO AWACS surveillance planes were requested to guard American airspace. Is it not time to say "enough" to these endless "peacekeeping" missions abroad and instead concentrate on being able to defend our own borders?

The budget also included increased funds for such dubious organizations as the National Endowment for Democracy, which travels throughout the globe meddling in and manipulating foreign elections. This activity purchases the United States no good will among the people whose democracy is being subverted by organizations such as the misnamed National Endowment for Democracy.

Mr. Secretary, I believe a far better approach to America's international affairs would be one that keeps in mind the great words and practices of this nation's founders. The traditional American foreign policy of the Founders and our presidents for the first 145 years of our history entailed three points: (1) Friendship with all nations desiring of such; (2) As much free trade and travel with those countries as possible; and (3) Avoiding entangling alliances.

This is advice we would do well to heed when considering America's international affairs budget and activities for fiscal year 2003. A foreign policy based on these principles would leave Americans much richer and much safer.

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PREPARED STATEMENT OF THE HONORABLE SHELLEY BERKLEY, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEVADA

Thank you, Mr. Chairman, for holding this important hearing. Welcome Secretary Powell, you have provided this country with excellent leadership during an obviously difficult time. I look forward to hearing your testimony today.

The country stands at a crossroads. We have won tremendous victories in bringing freedom back to the people of Afghanistan, but still have battles to wage to rid the world of Osama Bin Laden, and terrorists everywhere. As the pursuit for Osama Bin Laden, and remaining Al-Qaida forces continues, questions arise as to where American forces will be deployed next. It is no secret that countries like North Korea, Iran, Iraq, Syria, and Lebanon all engage in, or encourage terrorist activity. Identifying the so-called "axis of evil" is the easy part, figuring a way to deal with them is more difficult. I hope, Mr. Secretary, that you will do your best to enlighten the rest of us as to what we might expect.

I am concerned about terrorism from Pakistan. General Musharraf must be commended for offering brave leadership by joining our fight against Al-Qaida. I recently was in India and saw first hand the results of the December 13, 2001 attack on the Indian Parliament. India has faced decades of terrorism emanating from or supported by Pakistan. There are at least 33 terrorist groups operating in the Kashmir region. Most are small extremist Islamic groups, trained in guerilla warfare and terrorism. I hope that it is understood throughout the Pakistani leadership that while our appreciation for their assistance is heartfelt, we are steadfast in our resolve to fight terrorism everywhere. Pakistan, and the world, must understand that terrorism is our enemy, whether it is against Americans, Indians, or Israelis.

Let me touch briefly on the situation in the Middle East. This nation gave the world notice that there were two options following September 11th, 2001—you are with us, or with the terrorists. As suicide bombs rip through Israeli cities, killing

innocent Israelis, it is obvious the choice that Chairman Arafat has made. We gave Mr. Arafat our most recent "last chance" warning, and the response has been Palestinian weapons smuggling, and terrorist bombings in Jerusalem. His refusal to act to curb terrorism forces the Israelis to take their security matters into their own hands. America has, and must continue to support Israel's right to self-defense. Ridding the world of terrorism and terrorists is not just an Israeli interest, but one shared by freedom loving people everywhere. And here, Mr. Arafat should make no mistake. America will not confuse Israeli self-defense with the Palestinian practice of indiscriminate assassination—the practice of Palestinian militants walking into crowded pedestrian areas with bombs strapped to their bodies in an attempt to kill as many unarmed innocents as possible.

In his editorial in the New York Times last Sunday, Mr. Arafat rightly notes that "Peace is not a signed agreement between individuals—it is the reconciliation between peoples." He also rightly states that two people cannot reconcile when one refuses to treat the other as a partner in peace, when one uses the logic of power rather than the power of logic. If only Mr. Arafat believed his own words. If his words meant that the Palestinians would stop teaching children about the glory of war, but instead taught about the power of peace. If Mr. Arafat's words meant that the Palestinians would stop importing weapons from Iran, Syria, and from anyone else who would sell them. If Mr. Arafat's words meant that suicide bombings and shootings would cease throughout Israeli cities. But Mr. Arafat's words do not match his actions. There can be no peace because the Palestinians refuse to treat the Israelis as partners for peace. When Mr. Arafat walked away from Camp David, he signaled to the world that he has no interest in making peace.

I applaud the administration's support of Israel's necessary actions to protect its citizens from Palestinian terrorist attacks. Our message to the Palestinian leadership is clear—words are no longer persuasive. You have lied to us and to the Palestinian people for decades. The only thing that matters are your actions against terrorism, against war, and for peace.

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QUESTIONS FOR THE RECORD SUBMITTED TO SECRETARY OF STATE COLIN POWELL BY  
THE HONORABLE HENRY J. HYDE, A REPRESENTATIVE IN CONGRESS FROM THE  
STATE OF ILLINOIS

UN ISSUES: REJOINING U.N. HUMAN RIGHTS COMMISSION

*Question:*

*Specifically, has the U.S. asked any of the EU member countries also seeking to join this body to defer candidacy, allowing the U.S. to regain its seat later this year? If not, is the U.S. planning to do so in the near future?*

*Answer:*

We have told the EU and key members of the Western European and Others Group (WEOG) that our return to the UNCHR hinges on our ability to run on a clean regional slate (an uncontested election). The WEOG has not yet agreed upon a clean slate. We are still working on it in discussions both about a 20-year WEOG rotational scheme and about the possibility that some European candidates might withdraw. These discussions are still underway.

UN ISSUES: THE FIGHT AGAINST GLOBAL TERRORISM

*Question:*

*Are you satisfied with the role the U.N. has played in advancing the U.S. efforts in the fight against global terrorism? What additional actions are needed by the U.N. Security Council in this effort?*

*Answer:*

Its response to the 9/11 attacks shows the United Nations at its most effective. On the first day after the attacks, the General Assembly, by consensus of the 189 members, adopted resolution 56/1 which called for international cooperation to prevent and eradicate acts of terrorism and to hold accountable the perpetrators and those who harbor or support them. On the same day, the Security Council adopted resolution 1368 which recognized the inherent right of self-defense and categorized all acts of international terrorism.

On September 28, 2001, the Security Council unanimously adopted Resolution 1373 under Chapter VII of the Charter of the United Nations. This historic resolution obliged member states to limit the ability of terrorists and terrorist organizations to operate internationally by freezing assets of terrorists, affiliated persons

and organizations, bringing those who commit terrorist acts or assist them to justice and denying them safe-haven, among other things. The resolution also established a Counter Terrorism Committee (CTC) to oversee implementation of the resolution.

Even before September 11, the UN had focused on the Taliban's role in providing a haven for terrorists. In November, 1999, the Security Council imposed sanctions on the Taliban in Resolution 1267 after they refused to turn over Usama bin Laden. In January 2001, further Security Council sanctions were imposed. In addition to the demand that the Taliban turn over Usama bin Laden, the resolution required that the Taliban close down terrorist training camps. Sanctions under the resolution included an arms embargo against the Taliban, a freeze on bin Laden's assets, and the closure of Taliban and Ariana Airlines offices overseas, among other things.

U.S. efforts to combat terrorism are also aided by the UN's ongoing efforts to develop an international legal framework for fighting terrorism. The U.S. is a party to ten of the twelve international anti-terrorism conventions. The remaining two, "Suppression of the Financing of Terrorism" and "Suppression of Terrorist Bombings" were approved by the Senate on December 5, 2001. When the implementing legislation, now before the Senate, is enacted, the U.S. expects to deposit its instruments of ratification for the remaining two conventions.

Action must now focus on maintaining pressure for follow-through. That is the work of the Security Council's Counter-terrorism Committee (CTC). Member states are required to report to the CTC the steps they are taking to fight terrorism in seven critical areas: legislation, financial asset controls, customs, immigration, extradition, law enforcement and arms traffic. The Committee will provide information on additional resources or expertise to states to enable them to implement Security Council Resolution 1373. In addition, the U.S. is using Resolution 1373 to pressure countries bilaterally to take steps against terrorist organizations and is encouraging the G-8 and regional organizations to take similar steps.

#### UN ISSUES

*Question:*

*What is the status of your efforts to develop a "smart sanctions" approach toward Iraq and get weapons inspectors back inside the country? What are the consequences to Iraq if it continues to refuse the entry of these weapons inspectors?*

*Answer:*

In unanimously adopting resolution 1382 in November 2001, the UN Security Council committed to implement the central element of the "smart sanctions" approach—the Goods Review List (GRL)—by May 30, 2002. We are currently making progress with the Russians and other UN Security Council members toward reaching agreement on appropriate refinements to the GRL prior to its implementation. Once implemented, the GRL will lift economic sanctions on purely civilian goods for the benefit of the Iraqi people and focus controls on preventing the Iraqi regime from rearming. Implementation of the GRL will also diminish the Iraqi regime's ability to blame UN Security Council controls and the United States for the plight of the Iraqi people. It will also help restore UN Security Council solidarity on Iraq, which will place us in a better position to seek further specific controls to improve the UN sanctions regime.

The President has made clear that Iraq must permit the return of UN weapons inspectors and satisfy the United States and the international community that it does not have weapons of mass destruction and is in full compliance with applicable UN Security Council resolutions. Weapons inspections are one of Iraq's obligations under UN Security Council resolutions. Iraq may not negotiate or pick its obligations; it must unconditionally fulfill all its obligations under UN Security Council resolutions, including cooperating fully with UN weapons inspections. We are carefully reviewing our options in light of Iraq's continuing refusal to comply fully and unconditionally with its obligations.

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QUESTIONS FOR THE RECORD SUBMITTED TO SECRETARY OF STATE COLIN POWELL BY  
THE HONORABLE JOSEPH CROWLEY, A REPRESENTATIVE IN CONGRESS FROM THE  
STATE OF NEW YORK

#### UN ISSUES—THE UNITED NATIONS POPULATION FUND (UNFPA)

*Question:*

*Last year the President, recognizing the merits of the United Nations Family Planning Assistance program (UNFPA), requested \$25 million for the UNFPA, and as you know, Congress allocated \$34 million for this global health initiative. In addi-*



*tion, your office released \$600,000 last October to UNFPA to assist women in war-torn Afghanistan, a worthwhile endeavor in most people's mind, certainly in mine. Therefore, I was very disturbed that the President's budget proposal, released this Monday, does not allocate resources for UNFPA in the fiscal year 2002 or 2003.*

*Mr. Secretary, I know that you agree that these programs improve the quality of life for women and families throughout the world, and I am puzzled by the lack of support in the Administration for a program they supported and requested funding for last year. Could you please give us your sense as to why the Administration has decided to keep the \$34 million Congress appropriated, reserved and unallocated? And what sort of ramifications do you foresee this having on future U.S. involvement in UNFPA?*

*Answer:*

The Administration continues to broadly support the important work of UNFPA and specifically, its response to the emergency needs of vulnerable populations, such as in Afghanistan. At the same time, we remain mindful of our obligations under the Kemp-Kasten amendment to the annual Foreign Operations, Export Financing and Related Programs Appropriations Act, which provides that no U.S. funds can go to an organization that supports or participates in the management of a program of coercive abortion or involuntary sterilization.

The Administration is also attentive to periodic reports of abuse and coercion in China's family planning program and the recent allegations of UNFPA's complicity in coercive family planning practices in China. These allegations assert that UNFPA's program in China is in violation of the Kemp-Kasten amendment. While we are aware of UNFPA's response that it is not involved in coercive practices and is, in fact, supporting a program that stresses the importance of voluntarism and non-coercion, it is incumbent upon us to review the allegations.

The issue of UNFPA funding in light of these allegations is under review by the Administration. We are expediting the launch of this assessment.

#### SUPPORT TO IRAQI OPPOSITION GROUPS

*Question:*

*The Administration proposes once again providing \$25 million in support to the Iraqi opposition-in-exile, under the leadership of Ahmed Chalabi and the Iraqi National Congress (INC). In previous years, the INC has been unable to make productive use of the funds because of its inability to organize itself. Furthermore, the State Department itself has had difficulty certifying that the INC was adequately able to account for its use of the funds. Given the demonstrated inability of the INC to put U.S. taxpayer-provided funds to good use, how does the Administration envision the INC using an additional \$25 million in 2003? What specific programs will it embark upon?*

*Answer:*

To date, the U.S. has provided \$14.6 million in support to the INC, largely in support of the production and distribution of its newspaper, satellite TV broadcasts, information collection program, diplomatic outreach, drawdown of Department of Defense training under the Iraq Liberation Act, three London offices, two DC offices, and offices in Tehran, Damascus, and Prague. We have been in close consultation with the INC regarding the accounting and management problems detailed in the State Department Office of the Inspector General's audit report, and feel that they are making a good-faith effort to address those issues. We plan to continue our support of the INC, and other organizations, as we work to help the Iraqi people achieve their aspirations for a better future.

In that vein, we are committed to working with an effective, broad-based, inclusive Iraqi opposition. Our first step in this process is to sponsor a conference of Iraqi opposition groups and prominent emigres, focused on planning for a post-Saddam Iraq. Such a conference will bring Iraqis together in a constructive way, and raise the voices of the opposition as they cooperatively reassert the core principles that will guide a post-Saddam Iraq. We also plan to use Iraqi Opposition ESF to support a variety of opposition groups, including the INC, in a range of programs, including outreach, public diplomacy, and planning for the transition to a post-Saddam Iraq.

#### SINAI

*Question:*

*I notice that the Administration proposed \$16.4 million to continue its support for the Multinational Force and Observers (MFO) in the Sinai. Yet at the same time, we hear rumblings out of the Pentagon that Secretary of Defense Rumsfeld would*

*like to withdraw U.S. forces from the MFO and possibly replace them with U.S.-funded private contractors.*

*This mission has helped preserve the peace between Egypt and Israel for over 30 years and continues to serve as a necessary confidence-building measure. The Egyptian government, under the stewardship of President Hosni Mubarak, is a close friend and ally of the United States and a peace partner of the State of Israel. But future Egyptian regimes may prove more belligerent, making the MFO critical to the preservation of peace. Withdrawing from the MFO while U.S. involvement in the Israeli-Palestinian conflict falls to its lowest level, ever, would send a terrible signal that the United States is no longer interested in maintaining peace and stability in the region.*

*Will the Administration continue to support the presence of U.S. forces in the MFO, or will it instead leave the mission to other countries or private companies? If the Administration does plan to withdraw, will it do so even over the objection of Israel and Egypt?*

*Answer:*

The Egyptian-Israeli Peace Treaty and its security provisions, monitored by the MFO, are a cornerstone of U.S. policy and presence in the Middle East. The U.S. is especially mindful of its responsibilities and obligations to the MFO. As such, there are no plans to reduce our role in the MFO at this time.

The Israelis and Egyptians are both on record in insisting that the U.S. continue its military presence in the MFO. They and we are concerned that any draw-down of U.S. troops, if not carried out in close consultation with all concerned parties, could prompt other contributors of both troops and finances to reevaluate their continued participation. If other contributors were to follow our lead, it could severely weaken the MFO, increasing tensions between Israel and Egypt during an already volatile time. It also could undermine our credibility as a guarantor of future Israeli-Arab security arrangements.

However, U.S. participation in the MFO places a considerable burden on the U.S. Army. We are reviewing ways to lighten this burden without undermining the critical role and effectiveness of our troops in the MFO. Obviously, we would review such modifications with the parties before taking any action.

#### CYPRUS

*Question:*

*Recent discussions between the Turkish and Greek leaders of Cyprus provide a seemingly unprecedented opportunity to resolve this age-old conflict. What is the Administration doing to help facilitate a political settlement, and what resources is it prepared to make available to foster reconciliation between the Greek and Turkish communities, which have had virtually no contact with one another for generations, should a settlement be reached?*

*Answer:*

We agree that the current direct talks between the leaders on the island provide the best chance in a long time for a solution of the Cyprus problem.

We are supporting the direct talks on a number of fronts.

First, we have strongly supported the UN Secretary General's Good Offices Mission, and its efforts to achieve a comprehensive settlement, through numerous UN Security Council (UNSC) resolutions and press statements.

Second, through our Ambassador on the island, Donald K. Bandler, we are reiterating directly to the leaders and their delegations to the talks our support of the talks, and the importance of seizing this opportunity to reach a settlement.

Third, through our Special Cyprus Coordinator Thomas G. Weston, we are reinforcing with the leaders on the island and the Governments of Greece and Turkey our interest in the success of the ongoing negotiations.

Fourth, and also through our Special Cyprus Coordinator, we are working with the European Union and its member states to ensure that Cyprus's EU accession continues to be an incentive to a comprehensive settlement.

Should a settlement be achieved, we would work with USAID to ensure that program activities funded by \$15 million in FY2002 Economic Support Funds support implementation of a settlement.

#### PERU/ECUADOR/COLOMBIA

*Question:*

*The U.S. drug interdiction efforts in the Andean region have demonstrated some successes and some failures. Certainly, the progress made in Peru and Bolivia in the*

*realm of drug eradication and crop substitution is commendable. However, I am increasingly concerned by the manner in which we have neglected Ecuador in this war on drugs. I believe that we made a very expensive mistake by waiting until there was a problem in Peru and Ecuador before we reacted. I want to ensure that we don't make the same mistake twice.*

*The spillover effect from drug operations in Colombia is well documented. FARC rebels cross the Rio Putamayo on a daily basis either to seek refuge from battles on the Colombian side of the border, or to set up roadblocks in Ecuador for the purposed of kidnapping and extortion. As the coca crop is pushed out of Colombia, the rebels who need it to survive will find a new location to set up shop. I am concerned that the \$25 million estimated for FY2002 and \$37 million for FY2003 under the Andean Counter-Drug Initiative falls far short of the amount needed to prevent this tragic scenario. What is the rationale for keeping funding for Ecuador at this level when all the signs point to a need much more?*

*Answer:*

As part of the FY 02 budget request of \$882.3 million for the Andean Regional Initiative, the Administration sought \$76.48 million for programs in Ecuador. The actual amount provided for ARI, including some monies redirected from other counternarcotics programs with congressional approval, was \$782.3 million. This necessitated a reduction in funds for all of the ARI countries, and funding for programs in Ecuador was finally set at \$46.86 million.

The Administration remains committed to supporting Ecuador's efforts against the threat brought by illegal drug trade to its northern border. While the funding level for Ecuador is less than the amount the Administration requested, it is still a significant increase over prior-year levels. The FY02 assistance level to Ecuador is actually very close to three times what we provided in FY99. Our recently-submitted FY03 budget request also seeks another increase for Ecuador to approximately \$57 million in combined ESF and ACI program dollars.

#### CENTRAL ASIA AND THE BALKANS

*Question:*

*We have seen in recent months the ease with which terrorist organizations like al-Qaeda have operated in Central Asia, the Caucasus, and the Balkans—a phenomenon that highlights the need for these countries to develop better mechanisms to secure their borders, share information on terrorist groups, and stem arms trafficking. Similarly, the appeal of terrorist groups in these regions demonstrates the need to address the root causes of discontent—little prospects for economic development, poor social services, and decaying infrastructure.*

*I am therefore surprised to see that funding for such programs in Eastern Europe and the former Soviet Union under the Support for Eastern European Democracy Act (SEED) and the Freedom Support Act (FSA) is significantly lower than in previous years. Given that recent events have demonstrated that insecurity and discontent in these parts of the world can dramatically affect the security of the United States and the safety of Americans abroad, how can the Administration achieve its ambitious goals?*

*Answer:*

The Administration recognizes the need to address both immediate terrorism-related security concerns and the deeper root causes of support for terrorism and extremism in Central Asia, the Caucasus and the Balkans, never more so than since the events of September 11. Within our overall request for assistance to the Independent States of the former Soviet Union, we have shifted resources to the front line states in Central Asia and the Caucasus, and are looking carefully at further requirements. Funding requested for the countries of the former Soviet Union in FY 2003 actually represents an increase over the FY 2002 appropriated level, taking into account the transfer of the Export Control and Border Security (EXBS) program from the FSA to the NADR account.

Over the last few years the United States and our allies devoted extraordinary resources to the tasks of organizing governments and re-igniting economies across the Balkans. Those funds have made important contributions to stabilization in Bosnia, Croatia, Kosovo, Macedonia, Montenegro and Serbia, while helping Albania, Bulgaria and Romania weather the backwash of turbulence from their neighbors. The request of nearly half a billion dollars for FY 2003 will allow us to maintain the momentum towards our common goals in each of these countries, but the extraordinary level of resources required in previous years for rapid acceleration is no longer needed.

## FORMER SOVIET UNION

*Question:*

*I am pleased to see that the Department of the Treasury has increased funding for its Technical Assistance program to \$10 million. I feel strongly that the countries that can most benefit from this assistance are the countries of the former Soviet Union, which have significant economic potential yet are hobbled by inadequate expertise, stifling bureaucracy, and inefficient long-term fiscal planning. Where will these funds be spent, and on what sort of programs?*

*Answer:*

Treasury technical assistance programs in the former Soviet Union are funded under the FREEDOM Support Act (FSA), not from funds directly appropriated to the Department of the Treasury.

Treasury technical assistance is currently or will soon be provided to Armenia, Azerbaijan, Georgia, Moldova, Russia, Ukraine and Uzbekistan.

Treasury advisors provide assistance to help these countries carry out necessary reforms in the fields of taxation, budget, enforcement (including money laundering, both by organized crime and by terrorist groups), banking and debt.

## INDIA-PAKISTAN RELATIONS

*Question:*

*What steps will the Administration be taking to try to assuage Indian fears of a disparity in funding in Pakistan's favor?*

*Answer:*

India's leaders fully recognize that any effort to build a stable, prosperous, democratic Pakistan is very much in India's interest. Since September 11, and indeed before that time, we have been working diligently to strengthen Pakistan's economy and thereby weaken the influence of extremists. These efforts are paying off, as is evident from Pakistan's support for Operation Enduring Freedom and by President Musharraf's continuing actions against extremists.

As our relationship with Pakistan has evolved, the Administration has been mindful of the history of hostility between these two countries—we have wanted to avoid the very problem to which the question alludes.

We will continue working to ensure that India and Pakistan understand our determination to fight terrorism, build better trading ties, fight poverty, and promote an effective partnership with all countries in the region. Each relationship is important to the United States and each stands on its own merits.

## INDONESIA

*Question:*

*The Administration has once again requested \$400,000 for International Military Education and Training (IMET) for Indonesia. The Indonesian Armed Forces have been responsible for some of the most atrocious state-sponsored human rights abuses in the world in recent years. Their actions in East Timor, Aceh, and other areas of the country have demonstrated that they are far from a professional military that is capable of respecting international human rights norms and playing a constructive role in a democratic society.*

*I would like to know how the Administration proposes to use IMET resources for Indonesia. I would encourage you to either eliminate these funds entirely or ensure that IMET training is used exclusively to enhance the armed forces' professionalism and respect for human rights and civilian rule.*

*Answer:*

The Administration shares the goals of strengthening civilian oversight and enhancing the professionalism and respect for human rights of the Indonesian Armed Forces.

International Military Education and Training has not been available to Indonesia for several years. This year, to further civilian oversight of the military and in accord with specific changes in the wording of applicable legislation, the Administration intends to use Expanded International Military Education and Training in Indonesia to educate and train Indonesian civilians. The participants will include private citizens, legislators and civilian governmental personnel. The program will be designed to contribute to responsible defense resource management, foster greater respect for and understanding of the principle of civilian control of the military, and to improve the military justice system and procedures.

## BANGLADESH

*Question:*

*What steps will this Administration be taking to facilitate a smooth development of the fledgling Bangladeshi democracy?*

*Answer:*

The State Department has actively supported the growth of democracy in Bangladesh by funding election reform, monitoring capacity programs, and strengthening civil society, anti-corruption and judicial transparency projects. The success of these efforts was most recently visible during Bangladesh's parliamentary elections on October 1, 2001. The USG supported programs that trained and fielded 40,000 domestic and hundreds of international observers who played an important role in providing objectivity and confidence to the voting public. As a result, Bangladesh was able to hold its freest and fairest election to date. Our support was successful because the caretaker government was willing to enact the reforms necessary to hold free and fair elections.

I agree with you—we should and will support a moderate Muslim democracy, but Bangladesh's institutions remain fragile. Timely action is needed, but only the leaders and institutions of Bangladesh can fully consolidate the country's democracy. The Prime Minister has promised to allow a more meaningful role for the opposition in parliament. We would work hard to provide the necessary resources to support this innovation but it requires the opposition to first take its seat in parliament. Bangladesh has made progress but much more remains to be done.

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QUESTIONS FOR THE RECORD SUBMITTED TO SECRETARY OF STATE COLIN POWELL BY  
THE HONORABLE ILEANA ROS-LEHTINEN, A REPRESENTATIVE IN CONGRESS FROM  
THE STATE OF FLORIDA

## UN ISSUES: ANTI-ISRAELI VIEWS IN THE UN SYSTEM

*Question:*

*What steps do you foresee as necessary to ensure that the United States can prevent such anti-Semitic and despicable actions from taking place in the years to come? Additionally, what can the Department of State do to ensure that our allies, particularly those in the European Union and Latin America, work with us on this critical issue?*

*Answer:*

As we have done since Israel joined the UN, the USG will continue to consult and work closely with Israel and our like-minded friends to seek to ensure that all documents, declarations and resolutions emerging from UN bodies are balanced, fair and free of anti-Semitic language or anti-Israeli recommendations.

## ISRAEL

*Question:*

*President Bush specifically mentioned Islamic Jihad, HAMAS, and Hezbollah in his State of the Union speech as anti-Israel terrorist organizations. I want to commend the Administration for adding these groups to the list of those targeted by Executive Order and also for the President's very direct language on those groups.*

*However, when do you expect the al-Aksa, the Tanzim and Force 17 be added to the Executive Order? How have the Executive Orders affected these organizations' activities? What are we doing to ensure that Yasir Arafat ceases to allow them to operate?*

*Answer:*

The violent activities of all groups, including those operating in Israel and the occupied territories, are under constant review by the Department of State. In addition, we consult closely with officials in the Departments of Treasury and Justice, as required by the Executive Order before a designation of a terrorist organization can be made. Once a designation has been made, all U.S.-based accounts of such organizations would be frozen, and we would request our allies to take similar steps. For designations made to date, we are still assessing the financial impact of these actions while we also vigorously pursue international cooperation to help staunch the flow of financial support to these groups in the future.

In our contacts with Yasir Arafat, we have made categorically clear that he must do all in his power to bring terrorism and violence to an end.

## ARGENTINEAN JEWISH COMMUNITY CENTER BOMBING

*Question:*

*Nearly eight years after the terrorist bombing of Buenos Aires' Jewish Community Center, which left 86 people dead, the quest for justice remains unfulfilled. After years of foot-dragging by the Argentinean authorities, 20 individuals were finally charged with minor roles in the attack. Nonetheless, there remains considerable doubt that the prosecutors are committed to tracking down the principal culprits, believed by many to be Hizballah operatives and the Iranian regime. One recent allegation under investigation accuses former President Carlos Menem of accepting \$10 million from Tehran to mask the regime's involvement.*

*What is the Department of State's view of the Argentinean commitment to securing justice for the victims and their families? What steps has the Department undertaken, bilaterally and through the Organization of American States, to help ensure a just, transparent, and expedited resolution to this matter?*

*Answer:*

We believe that Argentine judicial and police authorities have pursued a serious investigation of the 1994 AMIA bombing. The beginning of the trial in September 2001 of 20 accessories to the crime is a significant advance in the case. Argentine authorities hope that this ongoing trial will help to uncover further leads that could possibly result in the identification of the actual perpetrators of the crime. The AMIA investigation has been constrained by serious resource limitations and by inefficiencies in the Argentine justice system, to include lack of coordination between local and federal police and the Secretariat of State of Intelligence.

From the beginning the U.S. Government has taken an active role in support of the investigation. The Federal Bureau of Investigation, for example, has vigorously pursued any terrorist leads and suspects and has worked to encourage and support the investigation into the AMIA bombing by the government of Argentina.

Besides technical support such as crime scene search and forensic testing that helped establish the presence, quantity and type of explosives used in the bombing, the FBI sent two separate FBI-financed teams at Argentina's request, most recently in June 2001, to spend roughly a month with Argentine investigators reviewing evidence and investigative findings in order to help identify any outstanding leads.

Along those lines, the Embassy Legal Attaché arranged for Judge Galeano, the investigating judge, to go to FBI Headquarters in October 2001 to receive detailed briefings on terrorist organizations in the Middle East, including, of course, aspects related to the AMIA bombing.

The State Department has been monitoring the trial of the accessories to the bombing. The Ambassador and other Embassy officials have raised the issue with the Government of Argentina on numerous occasions and have participated in widely publicized events commemorating the bombing. In addition, the State Department has provided assistance to the Government and other Argentine organizations to support improvements in the judicial system as a whole. We will continue to press for and support efforts to bring all those responsible for these crime to justice.

## ANTI-TERRORISM STRATEGY AND COORDINATION IN THE WESTERN HEMISPHERE

*Question:*

*Would you please elaborate on the Administration's anti-terrorism strategy toward the Western Hemisphere? What guidelines have been established? What steps have been taken to coordinate bilaterally, and through the Organization of American States, toward an effective approach to the terrorism threat?*

*Answer:*

The Administration's anti-terrorism strategy for the Western Hemisphere is to support the global war on terrorism and strengthen the Hemisphere's anti-terrorism posture. In most cases, these two principal objectives reinforce one another.

Our actions in the Hemisphere have centered around building a strong support coalition, gaining universal adherence to the 12 international anti-terrorism conventions, improving border controls, coordinating actions and intelligence on suspected terrorist organizations in the Hemisphere, and preventing terrorists from abusing the Hemisphere's financial system for fund raising and money laundering. The Department has not only provided our embassies with basic guidance, but has also instructed them to take the initiative in achieving our anti-terrorism objectives and this they have done, leading to remarkable success toward each of our objectives. These efforts have been coordinated with our global effort to combat terrorism under United Nations Security Council Resolution 1373.

The OAS has become a model for multilateral engagement by regional organizations. Meeting in Lima on September 11 to approve the Inter-American Democratic Charter, the Foreign Ministers immediately expressed solidarity with the U.S. by condemning the terrorist attacks—the first multilateral organization to do so. Re-convening in Washington on September 21, the Foreign Ministers adopted a strong resolution on strengthening Hemispheric cooperation to combat terrorism that, among other measures, called for convening an immediate meeting of the Inter-American Committee Against Terrorism and drafting an Inter-American Convention Against Terrorism to be adopted at the June 2002 General Assembly. Since September, OAS member states have been actively engaged multilaterally, sub-regionally, and bilaterally in increasing and improving counterterrorism efforts.

## CUBA

*Question:*

*Mr. Secretary, given the President's statements during the State of the Union address about "axis of evil" and, within the context of the war on terrorism, would you please explain the Department's position on the travel of Cuban officials to and within the United States and the reasons substantiating such a policy?*

*Answer:*

Visa issuance and travel policies for Cuban diplomats and other officials to and within the United States are governed by law, international obligations under the Vienna Convention and as the UN Host Country, our commitment to protect U.S. national security, and reciprocity concerns.

Cuban diplomats bound for Washington, to serve in the Cuban Interests Section, and for New York, to serve at the Cuban Mission to the United Nations, are granted visas consistent with our bilateral Interests Section Agreement and with our host country obligations to the UN, respectively. An Executive Branch interagency process reviews all such applications, consistent with law, to ensure that no individual who intends wholly or in part to engage in espionage against the United States or who otherwise would represent a particular threat to national security is permitted to travel here.

All other requests for visas by Cuban officials are reviewed on a case-by-case basis. Generally speaking, requests for visas from Cuban officials who wish to travel to locations other than New York or Washington on official business are denied.

Cuban officials assigned to the UN Mission must obtain Department approval before undertaking travel outside a 25-mile ring around New York City. They are permitted travel only to accomplish activities related to their assignment to the United Nations.

Cuban officials assigned to the Interests Section must notify the Department in advance of their intention to travel outside a 706 km<sup>2</sup> area roughly equivalent to the area inside the Capital Beltway. Travel can be denied based on the specific objection of any of the participants in the U.S. interagency review process.

*Question:*

*Also given that our own U.S. officials stationed at the Interests Section in Havana have extremely limited freedom of movement (as do the Cuban people) and their requests for meetings and travel are ignored or denied by the regime, would you agree that it is time to follow, in the words of President Teddy Roosevelt, a "stick" approach to travel of Cuban officials rather than the current "carrot" strategy?*

*Answer:*

Travel requests by U.S. Interests Section personnel must be made in advance to Cuban authorities. Such requests are rarely denied. Cuban authorities generally grant meeting requests with provincial Communist party and government officials.

However, the regime routinely ignores or denies requests for meetings with government ministries other than the Ministry of External Relations. Our efforts to engage with intellectuals and thinkers within the regime—for example, with Cuban government-controlled think-tanks and with university officials—are consistently thwarted. By contrast, in our free society, Cuban Interests Section personnel can and do engage with private citizens, universities, and other civil society groups in the United States. However, since 1996 Cuban Interests Section personnel must obtain prior approval for any proposed meetings with local, state, or federal officials.

This state of affairs is highly frustrating, but is merely a symptom of the overall problem. We are a free society, open to all, and the government does not, cannot, and will not impede dialogue on any and all topics. Our free and open society is our strength. By contrast, the brittle Cuban regime is obsessive about information control. It tries to deny its citizens access to true information about the current

Cuban reality, U.S. policy, and our desire for a rapid, peaceful transition to democracy.

We have regularly raised with Cuban officials our desire for greater reciprocity in access in Cuba for U.S. Interests Section personnel, and are committed to achieving that goal. For example, in October, 2001, we reduced the Cuban Interest Section's area of no-notice travel to 706 km<sup>2</sup>—roughly the area inside the Beltway—in order to make it nearly equivalent to the no-notice travel area accorded to the U.S. Interests Section in Cuba.

*Question:*

*What steps is the Department undertaking to further investigate and address the Castro regime's support for global terrorism? Given that designation of terrorist countries is under the purview of the Secretary of State, what steps have you taken to ensure Cuba's continued inclusion on the list of state sponsors of terrorism? What is the Department's position on this issue?*

*Answer:*

The Cuban regime is on the terrorist list for a variety of reasons, including its support for international terrorist organizations, including the ELN and the FARC, as well as ETA. There is recent and compelling evidence that the Cuban government sheltered a terrorist from the Chilean FPMR group who was wanted for murder in Chile.

By blaming American policies for the 9/11 attacks, and by accusing the United States of war crimes as we prosecute the war on terrorism—as Foreign Minister Perez Roque did so offensively in his November speech at the UNGA—Cuba demonstrated that it is not on the side of those countries committed to eradicating this scourge. Until there is convincing evidence of a change in Cuban attitudes regarding the war on terrorism, and until Cuba takes the steps defined by U.S. statute for removal from the list, there is no chance of a change in Cuba's status.

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QUESTIONS FOR THE RECORD SUBMITTED TO SECRETARY OF STATE COLIN POWELL BY  
THE HONORABLE RON PAUL, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF  
TEXAS

INTERNATIONAL CRIMINAL COURT

*Question:*

*Mr. Secretary, as of today, some 52 countries have ratified the treaty to establish the International Criminal Court. According to the statutes of that treaty, once 60 countries have ratified the treaty, the Court will claim jurisdiction over even non-signatories. What will be the U.S. reaction when there are 60 signatories and the Court attempts to act against an American, be he military or civilian?*

*Answer:*

The Rome Statute of the International Criminal Court (ICC) is a deeply flawed treaty that would place U.S. citizens—especially U.S. military personnel—at risk of unwarranted arrest and prosecution. The Administration has no intention of submitting the treaty to the Senate for advice and consent. We believe there are potentially grave consequences for U.S. persons if 60 countries ratify the treaty and it enters into force. The Administration is examining measures to protect our citizens from being prosecuted by the ICC. This will include examining our criminal laws to effectively preempt ICC jurisdiction and discussing with our friends and allies the risks the ICC poses to our citizens.

IRAQ

*Question:*

*Mr. Secretary, I have a question about U.S. policy toward Iraq, particularly in light of increased calls in the Administration for military action against that country. On 14 September, just days after the horrific attack against the United States, the House of Representatives passed House Joint Resolution 64, subsequently promulgated as Pub. L. No. 107-40, stating in part, "The president is authorized to use all necessary and appropriate force against those nations, organizations, or persons he determines planned, authorized, committed, or aided the terrorist attacks that occurred on September 11, 2001, or harbored such organizations or persons . . ."*

*This authorization for the use of force explicitly requires that any target be tied to the attacks of September. According to a recent article in the International Herald Tribune, "the Central Intelligence Agency has no evidence that Iraq has engaged in*



*terrorist operations against the United States in nearly a decade . . .” Other press reports have supported this view that Iraq had no hand in the terrorist attacks against the United States on 11 September. Nevertheless, members of the Administration have openly called for military action against Iraq. In an interview with the German Financial Times at the recent Munich Security Conference, head of the Defense Policy Board, Richard Perle is quoted saying, “I don’t think there is anything Saddam Hussein could do that would convince us there’s no longer any danger coming from Iraq.” Perle went on to say that the United States is on “a very clear path” toward war with Iraq.*

*Given this information, do you believe that the Administration is obligated to return to Congress for authority in advance of any attack on Iraq? And if so, should this be a request for a declaration of war?*

*Answer:*

Any decision concerning the use of force is a momentous matter and must be considered in the context of the specific circumstances of a proposed action. It bears noting, however, that Congress has previously addressed the use of force in Iraq for certain purposes, beginning with P.L. 102-1 (January 14, 1991) which remains in effect, and subsequently in a number of additional laws and resolutions. (See, P.L. 102-190, Sec. 1095 & Sec. 1096 (FY 92/93 National Defense Authorization Act); P.L. 105-235 (Aug. 14, 1998); H.J.Res. 75, (Passed the House Dec. 12, 2001).) In addition, the President enjoys constitutional authorities to commit U.S. forces to protect U.S. national security interests in appropriate circumstances. Be assured, however, that the Administration will continue to work closely with Congress on all phases of the war on terrorism.

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QUESTIONS FOR THE RECORD SUBMITTED TO SECRETARY OF STATE COLIN POWELL BY  
THE HONORABLE ELIOT L. ENGEL, A REPRESENTATIVE IN CONGRESS FROM THE  
STATE OF NEW YORK

SYRIA

*Question:*

*President Bush did not mention Syria as part of the “axis of evil” in his State of the Union speech. Yet Syria continues to be listed as a state sponsor of terrorism and constantly violates Security Council resolutions regarding the selling of Iraqi oil, support for terrorism and the occupation of Lebanon. What kind of policies does the Administration plan for getting Syria to end its support for terrorism and to stop the Syrian occupation of Lebanon?*

*Answer:*

U.S.-Syrian relations are marked by some positive areas of cooperation and other areas of significant disagreement. Since September 11 Syria has been a partner against al-Qaida. Its cooperation has helped save American lives. Nonetheless, we are looking for full cooperation against all terrorism with a global reach, and we have made clear to Syria that it must end support for terrorist groups, including Hizballah, Hamas, Palestinian Islamic Jihad and the Popular Front for the Liberation of Palestine. We have launched an international effort to detail to other countries Hizballah’s global involvement with terrorism and to request they join us in pressing Syria and Iran to put a stop to the group’s terrorist activities. An end to terrorist attacks would, in fact, serve Syrian interests, as well as Palestinian and Lebanese, as it would contribute to a climate conducive to a return to comprehensive peace negotiations.

We raise our concerns about Syrian illicit trade with Iraq both bilaterally and in the UN Security Council. We intend to hold Syria to its commitment to respect UNSC resolutions and to bring its trade with Iraq under the Oil-for-Food programs.

We remain committed to Lebanon’s independence, sovereignty, and territorial integrity and have long supported the withdrawal of all foreign forces, including Syrian. The timing and terms of such a withdrawal are matters to be determined between the governments of Lebanon and Syria. Progress in the pursuit of comprehensive peace would facilitate such a step.

SAUDI GENDER SEGREGATION

*Question:*

*Saudi Arabia is our ally in the Gulf and the largest oil producing country in which a large segment of its society faces discrimination in all walks of life. Saudi women must get permission of a male relative to have surgery, go to school, apply for a job,*

*accept a marriage proposal, or go to court. They are segregated in schools, public transportation, the work place, and restaurants. They do not enjoy freedom of speech, assembly, religion, or press. Now American companies in Saudi Arabia are adopting the same discriminating codes. What actions are being taken by the Administration to pressure the Saudi government to stop this segregation? Is there a business code for American companies in Saudi Arabia?*

*Answer:*

The Saudi Arabia section of the State Department annual Human Rights report provides an overview of the status of women in the Kingdom, both legal and social. Our embassy in Riyadh and consulates in Jeddah and Dhahran regularly invite Saudi women to participate in programs and workshops held in the region and in the U.S., aimed at elevating the status of women. The programs focus on the creation of associations, leaderships development, entrepreneurship and business opportunities. These opportunities for Saudi women also are available through the Fulbright and Humphrey programs.

We also have raised the issue of trafficking in persons with the Saudis. The Embassy recently proposed a strategy to work with Saudi officials, private groups, and local media to highlight the problem of trafficking and work to eliminate this practice.

Regarding a business code for U.S. companies in Saudi Arabia, U.S. corporations active in foreign markets normally adhere to local business practices, though they are obliged to comply with U.S. laws such as the foreign corrupt business practices act.

#### KOSOVO

*Question:*

*What is the rationale behind decreasing U.S. assistance to Kosovo and UNMIK.*

*Answer:*

Since we will have completed the more costly initial phase of institution building in Kosovo, the FY 2003 request of \$85 million can effectively address the remaining challenges of maintaining stability and promoting a market economy which can ultimately link to the global economy through the European Union.

The U.S. assistance program in Kosovo has shifted from an emphasis on humanitarian response and start-up of basic institutions to a longer-term focus on institution strengthening and the promotion of rule of law. Over the last two years, the donor community, working with the United Nations Mission Interim Administration in Kosovo (UNMIK), has targeted resources so as to provide a firm foundation for democratic institutions. In November 2001 Kosovars elected representatives to the first provisional assembly, and elected a president and prime minister in March. The growing ranks and growing confidence in the capabilities of the burgeoning Kosovo Police Service (KPS) is further evidence that a significant local rule of law institution is functioning. Furthermore, over 80 percent of the forecast revenue for Kosovo's 2002 Consolidated Budget will be generated locally through a broad-based tax structure.

As Kosovar leaders take up many of the authorities that have rested with UNMIK and locally-generated revenue increases, the Mission will reduce in size and scope. This coincides with a reduction in the amount of U.S. assessed costs for UNMIK operations.

We will reduce the Support for Eastern European Democracy (SEED) and Contributions for International Peacekeeping Activities (CIPA) budgets without disrupting development by targeting resources on remaining priorities and pressing the European donors, long the leading donors to Kosovo, to take even greater responsibility for Kosovo's progress.

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QUESTIONS FOR THE RECORD SUBMITTED TO SECRETARY OF STATE COLIN POWELL BY THE HONORABLE STEVE CHABOT, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF OHIO

#### HAGUE CONVENTION ON THE CIVIL ASPECTS OF INTERNATIONAL CHILD ABDUCTION

*Question:*

*Will the Department of State support a renewed reporting requirement on compliance with the Hague Convention on the Civil Aspects of International Child Abduction? Would the Department consider preparing and disseminating such a report as*

*a public service to American parents, judges, family attorneys, and law enforcement authorities?*

*Answer:*

The Department knows that the Hague Compliance reports have been useful to left-behind parents, and also in drawing the attention of some countries' to their shortcomings in Convention implementation. We will continue to monitor compliance and make public statements on compliance where necessary. The Department will continue to be fully responsive to Congressional concerns regarding international parental child abduction.

The existing compliance reports are on the internet and we continue to refer inquiring parents and others to that source.

*Question:*

*Many left-behind parents believe that the State Department essentially "writes off" abducted or wrongfully retained American children by putting their case files in "inactive" status when the other country refuses to return the children and/or gives the American parent access or visitation rights that are completely unenforceable?*

*Answer:*

As is the case in other signatory countries, the Department of State as the U.S. Central Authority closes or inactivates Hague cases for a variety of reasons, including the exhaustion of all judicial remedies pursuant to the Convention or withdrawal of requests for assistance. The State Department does not inactivate or close cases for insubstantial reasons; rather, the practice is to keep them open as appropriate. When a foreign court, for example, orders the return of a child and the order is not enforced, and/or there is a subsequent order rendering the original return order ineffective, the case remains open. In addition, the left-behind parent may request that the case be reopened at any time.

When a foreign court orders access under the Convention, and that order is not enforced, the Department inactivates the case only if the left-behind parent withdraws from the case and does not request any further action from the State Department.

#### CHILD ABDUCTION REPORTING

*Question:*

*When compiling the Children's Rights section of the annual State Department "Country Reports on Human Rights Practices," would the Department consider addressing the human rights aspects of international child abduction/retention cases and related access/visitation matters?*

*Answer:*

In the *Country Reports on Human Rights Practices*, we strive to create a comprehensive, permanent, accurate, and credible record of human rights conditions around the world. We report on violations of internationally accepted human rights standards and norms such as freedom of expression, association, movement, and the right to leave one's country. For example, we report forced conversions and forced marriages, issues that have arisen in connection with cases of this type.

The Office of Children's Issues in the Bureau of Consular Affairs fulfills the Department's responsibilities with regard to international child abductions and related questions of retention and access. The Children's Issues Office maintains an extensive website which provides a wide range of readily accessible materials and information pertinent to issues of children in the world today.

The Children's Issues Office also serves as the U.S. Central Authority for the Hague Convention on the Civil Aspects of International Child Abduction and carries out a range of activities to facilitate the proper functioning of the Hague Convention, including monitoring Hague abduction and retention cases as well as compliance by other countries to the Hague Convention's obligations. The Children's Issues Office has prepared reports on Hague Convention compliance issues for the Congress for three years.

There are other reasons why we do not report on international child abductions, per se, in the *Country Reports*, and why the State Department has opposed past Congressional efforts to include Hague Treaty compliance issues in the *Country Reports*. Reporting on treaty compliance poses special challenges. For example, we often don't know that children have been removed from the country until we are contacted by one parent because records on such cases are covered by privacy laws, making them difficult to obtain. Then, information often cannot be reported because

it is covered by privacy laws. Abroad, many countries do not keep records of this type, and where they do exist differences vary around the world.

The bottom line is that we care about these children and we want to help. The Department is prepared to report on child abductions, and in fact is already doing so.

#### INTERNATIONAL CHILD ABDUCTION

*Question:*

*Is the State Department currently negotiating reciprocal child support enforcement agreements with foreign governments that would permit those governments to obtain U.S. government assistance in enforcing their child support orders against the parents of abducted American children? If so, could you advise me of the status of those negotiations?*

*Answer:*

Since 1996, section 459A of the Social Security Act (42 U.S.C. 659A) has authorized the Secretary of State with the concurrence of the Secretary of Health and Human Services to declare foreign countries (or political subdivisions thereof) to be reciprocating countries for the purpose of the enforcement of family support obligations. Such a designation may be made only if the country has established or has undertaken to establish procedures for the establishment and enforcement of duties of support for residents of the United States, and if those procedures are in substantial conformity with the procedures in place in the U.S. Pursuant to this authority, the U.S. has concluded reciprocal child support arrangements with Ireland, the Czech Republic, Slovakia, Poland, Portugal, Australia, and the Canadian provinces of Nova Scotia, British Columbia and Manitoba. An agreement with the Netherlands has been signed and will enter into force when the Netherlands has completed its internal processes. Arrangements are pending with all of the remaining Canadian provinces and territories except for Quebec.

These agreements create no obligation for the U.S. government or the government of any state of the U.S. to enforce child support where a custody dispute exists. This was explicitly stated in a February 25, 1999 letter from Paul Legler, the Assistant Commissioner of the Office of Child Support Enforcement at the Department of Health and Human Services to the Directors of all of the state-level child support agencies in the U.S. This letter can be found at [www.acf.dhhs.gov/programs/cse/pol/dc19919.htm](http://www.acf.dhhs.gov/programs/cse/pol/dc19919.htm).

#### ABDUCTED AND WRONGFULLY DETAINED AMERICAN CHILDREN

*Question:*

*What is the State Department doing to ensure that our bilateral and multilateral agendas with the EU include continuing problems with countries (most notably Austria, Germany, and Sweden) concerning the non-return of abducted and wrongfully retained American children?*

*Answer:*

The Department of State, acting as the Central Authority for the United States under the 1980 Hague Convention on the Civil Aspects of International Child Abduction, routinely and vigorously discusses child abduction and wrongful retention cases with the member states of the EU, in both bilateral and appropriate multilateral settings. The United States has a Hague Convention treaty relationship with each of the fifteen EU member states.

The Department has, in particular, candidly shared its concerns about Hague Convention compliance with certain EU members. As noted in the Department's 2001 Compliance Report, Austria was identified as non-compliant because the Austrian judiciary did not appear to understand Austria's obligations under the Hague Convention. Sweden and Germany were both listed as being of concern, although the Report notes progress in both countries.

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QUESTIONS FOR THE RECORD SUBMITTED TO SECRETARY OF STATE COLIN POWELL BY  
THE HONORABLE ROBERT MENENDEZ, A REPRESENTATIVE IN CONGRESS FROM THE  
STATE OF NEW JERSEY

CLIMATE CHANGE

*Question:*

*Last year, the Administration in my view blundered its handling of the Kyoto Protocol to the United Nations Framework Convention on Climate Change (UNFCCC) by stating, without much consultation with anyone either here in Congress or internationally, that it would not further participate in the Protocol after ten years of international negotiations. The Intergovernmental Panel on Climate Change (IPCC) has stated that food security, desertification, droughts, floods, increases in disease such as malaria, and adverse effects on coastal settlements among other issues will hit developing nations hard, especially in Africa and Asia and the Pacific. This committee passed an Amendment asking the Administration to stay engaged in the Kyoto process. What progress has been made in addressing this issue?*

*Answer:*

President Bush made clear last year that the Kyoto Protocol would harm the U.S. economy and voiced his concern that it contains no commitments for three fourths of the nations of the world. Soon thereafter he initiated a cabinet-level review of U.S. climate change policy. The President made an interim announcement regarding the status of the policy review through a June 11, 2001, Rose Garden speech, in which he unveiled his three climate change initiatives: advancing the science of climate change, advancing technology to address climate change, and promoting cooperation in the Western Hemisphere and beyond. Work to flesh out those initiatives is ongoing.

The U.S. delegation to the resumed Sixth Conference of the Parties (COP-6 bis) in Bonn, Germany, in July 2001, was thoroughly engaged in the negotiation process. Nonetheless, as promised, it did not block consensus during the negotiations, and the meeting resulted in a political package deal to complete the elaboration of the details of the Kyoto Protocol. In November 2001, at COP-7 in Marrakech, Morocco, the U.S. delegation continued to be engaged on issues of key importance to the United States as the Parties completed the further work that many believe will pave the way for ratification by enough countries to bring the Kyoto Protocol into force.

Over the past six months, the State Department has engaged in high-level dialogues with various governments, including Japan and Italy, concerning climate change research and technology. In addition, the Cabinet has continued to debate a range of policy options to further address the serious, complex, long-term challenge of climate change. Those deliberations are ongoing, and no deadline has been set.

Today's articles in the New York Times and the Washington Post have fueled some speculation about the President's plan. These articles followed the release on February 4 of the 2002 Economic Report of the President. While the economic report is not a preview of the U.S. climate change policy as some have guessed, it does reiterate some Administration views regarding the remaining uncertainties of climate change science and the President's interest in basing our policy action on sound science. The potential approaches to addressing climate change contained in the report are representative of some of the options being considered in the Cabinet review, but should be considered to be illustrative examples of possible approaches being considered at this time.

UN FUNDS—THE UNITED NATIONS POPULATION FUND (UNFPA)

*Question:*

*Why did we go from last year's budget summary document that said the UN Population Fund provides, "crucial assistance to developing countries and countries with economies in transition," and then we zero that out in this budget? Please explain why the zeroing out?*

*Answer:*

The Administration continues to broadly support the important work of UNFPA worldwide and specifically, its response to the emergency needs of vulnerable populations. At the same time, we remain mindful of our obligations under the Kemp-Kasten amendment to the annual Foreign Operations, Export Financing and Related Programs Appropriations Act, which provides that no U.S. funds can go to an organization that supports or participates in the management of a program of coercive abortion or involuntary sterilization.

The Administration is also attentive to periodic reports of abuse and coercion in China's family planning program and the recent allegations of UNFPA's complicity in coercive family planning practices in China. These allegations assert that UNFPA's program in China is in violation of the Kemp-Kasten amendment. While we are aware of UNFPA's response that it is not involved in coercive practices and is, in fact, supporting a program that stresses the importance of voluntarism and non-coercion, it is incumbent upon us to review these allegations.

The issue of UNFPA funding in light of these allegations is under review.

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QUESTIONS FOR THE RECORD SUBMITTED TO SECRETARY OF STATE COLIN POWELL BY  
THE HONORABLE JIM DAVIS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF  
FLORIDA

NICARAGUA

*Question:*

*How can the Department of State encourage the new Bolaños Administration to expedite the settlement of the more difficult property claims, in particular, a constituent case involving the Willey family's Matagalpa Power claim, which has been pending for more than 20 years?*

*Answer:*

The USG, under our Ambassador's leadership in Managua, is working with the new Bolaños administration to find creative ways to expedite outstanding Amcit property claims. To date, the Government of Nicaragua (GON) has resolved thousands of outstanding Amcit property claims.

As of 12/31/01, the GON had resolved 3,599 Amcit claims, including some large and complex cases. According to Embassy Managua, 878 unresolved claims remain. The GON offered a settlement to the Willey family in 2001, based on calculations using the nationalized Matagalpa Power company's value as declared by the family in 1978, plus 22 years of interest. Half of the Willey family accepted the GON's settlement in mid-2001. The Embassy will continue to assist all claimants who maintain property claims.

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QUESTIONS FOR THE RECORD SUBMITTED TO SECRETARY OF STATE COLIN POWELL BY  
THE HONORABLE EDWARD R. ROYCE, A REPRESENTATIVE IN CONGRESS FROM THE  
STATE OF CALIFORNIA

LIBERIA

*Question:*

*Are we considering sanctions on Liberian timber, which is being clear-cut with no thought of the ecological consequences, and which will fill the coffers of Charles Taylor, Incorporated?*

*Answer:*

Yes. Timber exports are a major source of revenue for President Taylor. Our goal is to deny Taylor control of that revenue used to support his destabilization activities. Some UN Security Council (UNSC) members blocked our attempts last year to impose UN sanctions on Liberian timber.

We are willing to consider mechanisms to put revenue from timber and other natural resource exports in an escrow account to benefit the Liberian people. If this is not feasible, we are prepared to press for a ban on timber exports from Liberia when existing sanctions come up for review in May. We anticipate some UNSC member opposition (including France and China) to such sanctions, because President Taylor is seeking to project an image that the Liberian people are already benefiting from the timber industry.

We expect the government of Liberia to implement its recent agreement with the U.S. non-governmental organization "Conservation International" and others to preserve 30% of Liberia's forests as national parks.

