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DEPARTMENTS OF COMMERCE, JUSTICE, AND

STATE, THE JUDICIARY, AND RELATED

AGENCIES APPROPRIATIONS FOR 2004

HEARINGS

BEFORE A

SUBCOMMITTEE OF THE

COMMITTEE ON APPROPRIATIONS

HOUSE OF REPRESENTATIVES

ONE HUNDRED EIGHTH CONGRESS FIRST SESSION

SUBCOMMITTEE ON THE DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES

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DEPARTMENTS OF COMMERCE, JUSTICE AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS FOR 2004

Wednesday, March 26, 2003.

THE STATE DEPARTMENT

WITNESS

COLIN L. POWELL, U.S. SECRETARY OF STATE

Opening Statement of Chairman Wolf

Mr. Wolf [presiding]. Mr. Secretary, we want to welcome you to the committee. We are honored to have you before us today, the secretary of state, Colin Powell, for his third appearance before the subcommittee.

Last year, I made the comment that your tenure so far has been a trial by fire and it has not become any easier. We are now engaged in a war that has required and will continue to require your extraordinary diplomatic efforts. At the same time, we are facing serious issues that in other times would be dominating the foreign policy agenda: nuclear weapons development in North Korea and Iran, the continuing effort of Al Qaida and the famine in Africa, on which you and the administration have done an excellent job. You have handled your duties admirably and with great skill, and as have the other members of your team. And we are fortunate to have someone with your abilities as Secretary during these difficult times.

Today you are testifying regarding the fiscal year 2004 budget request for the operations of the department and the assessed contributions of the United States for the United Nations and other international organizations.

The centerpiece of your request for 2004 is the third and final installment of a large-scale personnel increase to improve diplomatic readiness. In addition, your request includes new staffing increases for embassy security and border security. The request includes funding for a total of 641 new positions. If enacted, this will represent a historic increase of almost 2,200 American employees during your tenure as secretary of state.

It is our intention to ensure that during this dramatic expansion, the department also advances significant reforms and long overdue management improvements, including right-sizing of our overseas presence, modernization of technology and creating an interagency framework to expedite the building of secure overseas facilities.

We are pleased to see your budget request continues the funding stream the Congress and the administration have established to improve embassy security. Since the embassy bombings in Africa, the committee has provided over \$5.6 billion to improve embassy security. And we are interested in hearing your views on how this effort is proceeding.

Another issue that I am very concerned about, and that we will have some questions about, is the coordination and execution of public diplomacy. The Congress provided significant funding increases for public diplomacy activities in the Arab and Muslim world in both fiscal year 2002 supplemental and fiscal year 2003. I expect it is not too early to look to the results of those programs and draw some conclusions. We hope you can comment.

Personally speaking and not for the committee, but for myself, I think the effort has become more critical today after our nation is engaged with a coalition fighting to rid Iraq of Saddam Hussein. Mr. Secretary, how can we make certain that the world knows that while we engage in military operations to topple Saddam Hussein's regime our overriding humanitarian concern has been and is to protect the Iraqi people? The National Journal reported this week about what it called our humanitarian map of what not to hit with bombs in Iraq in an effort to protect--to protect--the Iraqi people and as much of the infrastructure as possible to aid in a post-war effort to give back to the Iraqi people a country with a sustainable economy.

Joint Chiefs Chairman Richard Myers, General Myers, on Tuesday morning told ABC's ``Good Morning America'' that, ``protecting Iraqi civilians is a very high priority, and sometimes it is difficult to find a balance between protecting them and achieving military objectives.'' To quote him, he said in another quote, ``we are more likely to take a bit more risk ourselves than to bring the population in harm's way. But that is a conscious calculation.'' This is a military man saying, ``We are going to protect the civilians.'' And I think you and the administration ought to be given credit for doing that.

Yesterday, Richard Cohen wrote in The Washington Post about how he is struck with the images that he has seen on TV that, ``The lights were on in Baghdad and cars could be seen scurrying to and fro. That is a war against the regime,'' he said, ``a war different from past wars.''

He acknowledged that in war things go wrong, and as hard as we try some innocents may be wounded or killed. But rightly so, the United States has drawn a bright line of distinction between civilian and military targets, putting at risk--at risk--coalition forces and at an apparent cost of American lives.

We are fighting a different war in a different way from the way Saddam Hussein fights his wars. We do not use civilians as human shields, or dress our soldiers in street clothes and hide them among the Iraqi people, or use poison gas against our civilians. We use smart bombs with incredible precision to take out Saddam Hussein's military apparatus, holding the protection of the Iraqi people as a top priority.

Mr. Cohen wrote in The Post: ``I hope the world notices. I hope that throughout the Arab world it was noticed how American military briefers took questions from Arab media outlets, treating them no differently than reporters from the mightiest of American networks.'' He went on to say, ``Some of their questions were obnoxious, a kind of backhanded homage to American values.'' He said, ``I hope the anti-American demonstrators throughout the Muslim world we saw today inSyria and places like that that they could never speak out, that there is not the freedom of the press.'' He went on to say that, ``Throughout the world that their own governments would invite such scrutiny and respond with such apparent candor, even permit their troops to be interviewed on the battlefield and confess to being afraid.'' I hope a little bit of this sinks in.

Mr. Secretary, this is a story the world really needs to know about. The nonstop propaganda images broadcast through the Arab world and people in Europe and around the globe by Al Jazeera are not--are not--the real story of this war. I even heard that Al Jazeera has been embedded--embedded--in with American forces. They are not telling the honest story with regard to the American men and women that are fighting over there.

I would like to hear your comments about how the United States can let the world know that we are decent, a compassionate and a caring people with the overriding concern to protect the people of Iraq, to liberate them from oppression, to give them the opportunity to enjoy the kind of freedom our country has shared and kept over the last two centuries.

I do not know if that is going to be in your prepared statement. I would like to hear you talk about that, because it is important that we do something through public diplomacy whereby the decency of the American people and what we are doing is known throughout the Middle East and throughout the world.

With that, I recognize Mr. Serrano.

Opening Statement of Ranking Member Serrano

Mr. Serrano. Thank you, Mr. Chairman. Welcome, Secretary Powell.

It is with deep sadness about our world situation that I welcome you here, Secretary Powell, to this subcommittee.

Secretary Powell, I know that you are here today to talk about the State Department's budget for fiscal year 2004. However, I find myself in a difficult situation to speak about the budget when our nation is at war, to focus on anything but the situation in which we find ourselves today. So I have thrown out my original statement which focused on your budget to take a brief moment of your time to comment on the fact that our nation is at war and that I am so deeply troubled.

I know that you are doing the best to serve our nation during a time of war. And you have my respect and admiration, and you know that that is the truth.

However, I must take a moment to tell you that I disagree strongly with the fact that we are at war. This is a war in which our soldiers and innocent Iraqi civilians are dying, that is being waged without the support of the U.N. and more of our allies. I know that you have worked hard and spent many hours at the U.N., but despite your best efforts the fact remains that our nation is at war.

No one, however, should mistake my or our opposition for the decision to go to war with my concern about the safety of our troops and strong support for these brave men and women. Once our troops are in harm's way, my support for them should never be questioned. People who support the war should not assume that those who oppose the war do not support our troops as they fight in battle.

This is a war that is opposed by many of our traditional allies, and that is causing demonstrations and strong anti-American feelings worldwide. We must make sure that our State Department personnel are protected as they face this new and dangerous world where America is viewed by many as an enemy.

Secretary Powell, we will all pray for the safety of our soldiers and our diplomats and for a quick end to the hostilities. I must say that as our nation moves from war to peace, there is no one I would rather see at the table rebuilding Iraq, helping its people and repairing our relations with our allies than you.

Let me state again, Mr. Secretary, that you have my deepest respect, especially during this difficult time for our nation. You can be sure that I will work closely with Chairman Wolf to provide the necessary funding so that the State Department, during this time of war and the peace that will follow, will have the resources that are required to successfully perform its important services both here and abroad.

Our nation is depending on you and our diplomats to bring us through these hostilities to a time of peace in which the United States and its people are respected as friends who share their talents and generous spirits with the other nations who inhabit our world. I look forward to that time of peace. And I know that because you are in a position of leadership, we will reach it soon.

On a personal note, I can never go two minutes without reminding us that we grew up in the same neighborhood in the South Bronx. You are our most famous and proudest son. I, along with the Yankees, root for you. And you know that my comments today are not just a statement; I am a big Colin Powell supporter. And, General, you have my utmost respect even when we disagree on some of the issues.

Thank you, Mr. Chairman.

Mr. Wolf. Thank you, Mr. Serrano.

Mr. Secretary, you can proceed. Your full statement will appear in the record.

[The statement of Secretary Powell follows:]

[GRAPHIC(S) NOT AVAILABLE IN TIFF FORMAT]

Statement of Secretary of State Powell

Secretary Powell. Thank you, Mr. Chairman.

I did have a statement, and thank you for putting it in the record.

What I think I would like to do Mr. Chairman is summarize that statement so at least I can get my position down with respect to the 2004 budget. Then, I will be more than happy to respond to the specific points that you and Mr. Serrano and, I am sure, other members of the committee will make.

Mr. Chairman, we are at war. I know that each and every one of us here today, as we watch this war, our prayers and our thoughts are with those young men and women who are prosecuting it for us on behalf of the nation and the American people. Once again, as you watch them in the deserts of Iraq, if you watch how they go about their work of fighting and as you watch how they go about their work of taking care of people and distributing humanitarian supplies, we should all be very proud that we have such young men and women who are willing to volunteer to serve their nation. And they are not just from the United States, United Kingdom, Australia, and Spain. Many other nations are with us. I will speak more about this a little later on in my remarks.

Mr. Chairman, members of the subcommittee, funding requested for 2004 for the Department of State, USAID and other foreign affairs agencies is \$28.5 billion. I ask for your support of that amount.

I might say at this point that I want to express my thanks to you, Mr. Chairman and to the members of the subcommittee and the full committee for the great support you have given me over the last two-plus years. We have seen a lot of improvements in the department which would not have been possible without your strong efforts and support, as well as your nudging, your advice and criticism from time to time that keeps us on track. I am deeply appreciative of that.

The President's budget will allow the United States to, first, target security and economic assistance to sustain key countries supporting us in the war on terrorism and helping us stem the proliferation of weapons of mass destruction. The budget will help us launch the Millennium Challenge Account, a new partnership providing support to those countries that will justly invest in their people and which encourage economic freedom; will also strengthen the U.S. and global commitment to fighting HIV/AIDS and alleviating humanitarian hardships; will also permit us to combat illegal drugs in the Andean region of South America, as well as bolster democracy in one of that region's important countries and most threatened countries, Colombia. Finally, the budget will reinforce America's worldclass diplomatic force, focusing on the people, places and tools needed to promote our foreign policies around the world.

I am particularly proud of that last goal, Mr. Chairman. For the past two years I have concentrated not just on foreign policy and being the primary foreign policy advisor of the President, but also on being the chief executive officer of the State Department.

Under my CEO hat, we are asking for \$8.5 billion in the State operations budget to run the department. Since the CEO responsibilities are this subcommittee's particular jurisdiction, let me give you some highlights of what these funds are for.

First, as you noted earlier, we have been reinforcing our diplomatic troops for two years, and we will continue to do so in 2004. We will hire 399 more professionals in the foreign and civil service to help the President carry out the nation's foreign policy. In addition, of course, to the security personnel that you made reference to.

This hiring will bring us to the 1,100-plus new foreign and civil service officers we set out to hire during the first three years of this administration to bring the department's

personnel levels back in line with the workload. Moreover, completion of these hires will allow us the flexibility to train and educate all of our officers as they should be trained and educated. We will have a little bit of flexibility in the system so that people can go up and get the kind of training that they need.

I can tell you, Mr. Chairman, what an impact this is having. You go out and visit embassies now and suddenly people are showing up to help them with their workload, vacancies are being filled. These youngsters are now coming down the pipeline and out into the field, and it is making a real difference.

Mr. Chairman, one day I hope to have you down at the department when we swear in one of these new classes of junior officers. It will just turn you on when you see the motivation in their eyes, when you see the enthusiasm that they bring to the new jobs as members of the Department of State family.

I also promised, Mr. Chairman, that I would bring state-ofthe-art communications capabilities to the department. We are in a world of instantaneous communication, instantaneous media. I have to have a department where every single member in that department is wired to every other member of the department around the world, secured and unsecured, so that we have access to this marvelous resource called the Internet where we can get the information we need and pass intelligence.

When the President gives a speech, as he did earlier today down at Central Command Headquarters in Tampa, I want it piped all over the department, every mission, instantaneously translated as fast as possible. When the President gives a major address, when I give a major address, when something happens in Washington, we can no longer sit around typing up cables. Electronically it has to be distributed. Electronically you have to be able to hear back from all the embassies. Electronically they have to be able to talk to each other across embassies around the world.

As a result of the support that you have been giving that program in the form of financial support, we have really, really improved over the last couple of years.

For that reason I am asking for another \$157 million allocation so that we can get where we need to be in these first three years.

Finally, I want to sweep the slate clean and completely revamp the way we construct our embassies and other overseas buildings. You touched on this a moment ago, Mr. Chairman, and, as you know, this is a long-term task, an almost never-ending one, particularly in this time of heightened terrorist activities. But we are well on our way to implementing both the construction and security tasks in a better, less expensive way and in a way that future CEOs can continue and improve upon.

General Williams--whom you know well--you know what he has been doing, Mr. Chairman. I think it is just a solid successstory of bringing this program under professional management.

Our embassies are coming up now, and they are being rebuilt rapidly, and under budget. We have been able to reduce the overall costs of our embassy facilities from regional estimates, and I am very proud of what we have been able to do in our overseas construction activities.

Mr. Chairman, as principal foreign policy adviser, I have

other priorities which are described in my prepared statement. Our number one priority is to fight and win the global war on terrorism.

The foreign operations budget furthers this goal by providing economic, military and democracy assistance to key foreign partners and allies, including \$4.7 billion to countries that have joined us in the war on terrorism.

Of this amount, the budget provides \$657 million for Afghanistan, \$460 million for Jordan, \$395 million for Pakistan, \$255 million for Turkey, \$136 million for Indonesia and \$87 million for the Philippines.

I also want to emphasize our efforts to decrease the threats posed by terrorist groups, rogue states and other nonstate actors with regard to weapons of mass destruction and related technology. To achieve this goal we must strengthen partnerships with countries that share our views in dealing with the threat of terrorism and resolving regional conflicts.

The 2004 budget request supports the Non-Proliferation and Disarmament Fund. It increases funding for overseas export controls and border security and supports additional funding for science centers and bio-chemical redirection programs.

Funding increases requested for these programs will help us prevent weapons of mass destruction from falling into the hands of terrorist groups or states by preventing their movement across borders, and by destroying or safeguarding known quantities of weapons or source material.

The budget also promotes international peace and prosperity by launching what is the most innovative approach to U.S. foreign assistance in more than 40 years. The new Millennium Challenge Account, an independent government corporation supervised by a board of directors that I will chair, and funded at \$1.3 billion, will redefine development aid.

As President Bush told Africa leaders meeting in Mauritius earlier this year, this aid will go to those nations that encourage economic freedom, that weed out corruption, that respect the rights of their people and have put in place the rule of law, have transparency in their systems and are fully committed to democracy.

Beyond the Millennium Challenge Account, the President's budget request offers hope and a helping hand to countries that are facing health catastrophes, poverty and despair, and humanitarian disasters. The budget includes more than \$1 billion to meet the needs of refugees and internally displaced persons.

The budget also requests more than \$1.4 billion to combat the global HIV/AIDS epidemic. The President's total budget for HIV/AIDS is over \$2 billion, which includes the first year's funding for the new emergency plan for HIV/AIDS relief, announced by the President in his State of the Union address. These funds will target 14 of the hardest-hit countries in Africa and the Caribbean.

The budget also includes almost half a billion dollars for Colombia to support President Uribe's unified campaign against terrorists and the drug traffic that fuels the activities of these terrorists. The end is to secure democracy, extend security and restore economic prosperity to Colombia.

Our total Andean Counter-Drug Initiative, going beyond

Colombia to the other nations in the Andean region, is \$731 million. Included in that are funds to resume the Air Bridge Denial Program.

I also want to touch on the issue of hunger, famine and food aid, an issue, Mr. Chairman, I know that is of particular interest to you. Historically and continuing into the future, America has been the largest donor of assistance for victims of famine and food emergencies. Thanks to the help of the Appropriations Committees, Congress provided \$1.44 billion in urgently needed PL-480, Title 2 food aid for 2003.

Our 2004 food aid request of \$1.19 billion will be complemented with a new Famine Fund Initiative of \$200 million. This initiative will provide emergency food grants or other support to meet crisis situations on a case-by-case need, giving us much more flexibility to respond to these crises as they arise and not just robbing Peter to pay Paul.

Mr. Chairman, that ends my opening remarks on the budget for 2004, but let me say a few words about the supplemental request that the President submitted to the Congress yesterday.

The supplemental request totals \$74.7 billion. This request includes approximately \$7.8 billion for State Department and foreign operations programs. The funding is critically needed to support our coalition partners, provide relief and new construction assistance to the people of Iraq, and to ensure the safety of all Americans in the region.

The foreign operations part of the supplemental will provide approximately \$4 billion to assist our coalition partners who are standing steadfastly with us in Operation Iraqi Freedom. This includes Israel, Jordan, Turkey, Bahrain, Oman, and key critical and Eastern European allies.

It will provide \$2.7 billion for Iraqi relief and reconstruction, including assistance to refugees and internally displaced persons; food and its distribution; water and sanitation; emergency infrastructure needs, such as emergency housing, public security and restoration of electricity, health care, education and road and bridge networks.

Of the \$2.7 billion, \$410 million is to pay back 2003 funding that has been used to preposition a relief and reconstruction support base to help the liberated Iraqi people.

Another \$626 million is urgently needed to support the war on terrorism in Afghanistan, the Philippines, Pakistan and Colombia.

And finally, \$150 million is for unanticipated contingencies. This is not a slush fund. It really is an emergency fund. On so many occasions over the last two years my staff has come to me and said, ``We have a problem in such and such a place. What are we going to do about it?'' Invariably, we have to take the money from somewhere else in need to deal with that problem. This reserve, I think, is a proper management tool to give to the Secretary of State and to my colleagues in the department to deal with these crises as they come along.

But I can assure you, Mr. Chairman, we will share what we do with this subcommittee and provide full transparency and the usual oversight to the use of such funds.

The State operations part of the supplemental request will provide \$65.5 million to cover the estimated costs associated

with the evacuation of State Department employees and their dependents due to the increased threat of violence and terrorism; \$35 million for immediate consular and overseas response requirements, including fulfilling our responsibility to protect Americans around the globe and to assist in post evacuations; \$15.6 million for emergency and medical supplies, chemical and biological warfare antidotes, the anthrax and smallpox vaccine programs, and medical services' emergency preparedness staffing; \$10 million to enhance security at overseas posts, including increased security personnel and equipment; \$5 million for increased task force and surge operations, including additional deployments of foreign emergency support teams and additional communications costs; and \$55.8 million for standing up, staffing, operating and securing our new mission in Baghdad.

Mr. Chairman, that is just the thumbnail sketch of the President's supplemental request for State and foreign operations for 2003.

Let me now, Mr. Chairman, before opening myself up to questions from the committee, touch on a couple of the points that you made and were made by Mr. Serrano.

Let me go first to public diplomacy. Mr. Chairman, you could not be more correct in saying that we have to do all we can to change the tone in the world with respect to what we are doing. We need to talk to the Arab media and to the Arab public.

Just two hours ago, Mr. Chairman, I sat down and I did a round robin series of television interviews. The first one was to Al Jazeera. The second one was to Abu Dhabi Television. The third one was to an Indian channel. The fourth one was to an Egyptian television channel. Taking our message to the people of the world, but especially the people in the Arab world that this is a conflict that we did not ask for nor did we seek, we did not want, we did everything to avoid. This was a conflict that was brought to the world community by Saddam Hussein and his 12-year record of disobedience of one U.N. resolution after another.

We are going to Iraq not as conquerors. This battle is not about conquering the Iraqi people. It is about putting down a dictatorial regime that for all these years has been developing and using weapons of mass destruction against its own people, against its neighbors.

It is about using the wealth of Iraq, its oil, to benefit its people, to provide wherewithal for the people in the south who have been so deprived by Saddam Hussein over the years.

It is about freeing people from a dictator who has massacred them, who has kept them under the worst kind of subjugation, who has tortured them, who has been guilty of the worst sorts of crimes, and who has invaded his neighbors.

Once this regime is now gone, we can get the weapons of mass destruction totally ripped out of the military and civilian infrastructure of Iraq. We can put in place a government that will be responsive to its people, that will represent its people. We can use the wealth of Iraq, channeled through their new government, with their new government having responsibility for the use of that wealth. We will help get this government up and started. Initially our military forces will have to bring security and stability to Iraq. But as soon as possible, and working with the United Nations, and getting international support from the United Nations and other agencies, we will help bring up an interim authority in Iraq which can then grow into a full government, a government responsive and representative of its people, to use the wealth of Iraq.

We have to get that message out. We have to do a better job of it.

As this war continues to its conclusion--and it will be concluded successfully, I have no doubt about the ability of coalition forces to prosecute this conflict to a successful conclusion--you will see more and more pictures of the type we saw this morning, not only of battle, but slowly but surely humanitarian aid coming into the country, water being restored in places like Basra, rations being delivered to people in need.

When people realize that those young men and women in their camouflage uniforms are not there to destroy, but to build, I think you will see attitudes change quickly. As people around the Arab world, people around the world recognize the nature of this regime that is being eliminated and what coalition forces and the international community is coming in to do, I think attitudes will begin to change.

From this success, when people see that this administration--President Bush personally--is committed to doing something to move the Middle East peace process along, with the delivery of a Roadmap to the new Palestinian Prime Minister when he has been confirmed and to the Israeli government, then the two sides can engage, in a more sustained way, with sustained American involvement and the involvement of the other members of the so-called Quartet, to get this process moving along. To end violence, to put in place responsible governments on the Palestinian side, with a new Prime Minister, and to also put obligations on the Israeli side to open up the territories again, so people can get back and forth to work, so that new security organizations under responsible leadership can start to do their job, to do something about the settlement activity that is under way that must be brought to an end in order for there to be a solution. The President is as committed today as he was when he gave his speech last June to a Palestinian state living side-by-side in peace and in security with Israel, and that is our commitment.

The point was made about we are not doing this with the support of allies and we are not doing this with U.N. authority. We very much are doing it with U.N. authority. All last fall we fought for and obtained a U.N. resolution that followed from the President's speech of 12 September, where he challenged the U.N.

We did not go off unilaterally and say, ``We are just going to invade Iraq.'' We brought the problem to the United Nations where it belonged. It is the United Nations' will that is being thwarted by the actions of Saddam Hussein.

The President took it to the U.N. After seven weeks of tough negotiations we got U.N. Resolution 1441. It was a diplomatic success on the part of the United States and the part of every member of the Security Council that participated in that debate and got a 15-0 unanimous vote.

There was no question about what we were voting for. We were voting for a resolution that said Saddam Hussein is in violation of his obligations, he is guilty; not, ``Let's find out if he is guilty,'' ``He is guilty,'' the resolution said.

It then said there was a way for him to end this problem, by changing what he has been doing, changing the nature of his regime, cooperating fully, complying fully, immediately, unconditionally, fully, right now, not nine months from now when inspectors are prowling around, not two years from now and then they report back to the U.N., but now, immediately, unconditionally, fully and actively cooperating with inspectors.

The inspectors went in for the purpose of helping him comply, not for the purpose of searching the countryside to find out that which was hidden, but to verify that which he would bring out into the open.

We said, ``Let the inspectors go in and see if he is willing to obey this time,'' and almost from the get-go we knew that he was not going to do it. He reluctantly accepted the resolution a week later, as he was required to do. Thirty days later he filed a totally false declaration that not one member of the council, not even his associates and friends in the council, would come forward and say, ``This is an accurate declaration.''

The inspectors should be congratulated for being such dedicated international servants, and they did get some cooperation from the Iraqis on process and some things were turned over. But they constantly found themselves notgetting answers to their questions, not getting gaps filled that were in the declaration. They constantly found themselves being deterred and deceived.

The United States and its partners in this finally said, ``Enough. We have now come to New York every week for about four weeks and heard the reports of the inspectors, and what is clear is that even though there has been some progress with respect to process, there has been no fundamental change, no strategic change on the part of Saddam Hussein. He is not in compliance of this resolution. Therefore the serious consequences anticipated and built into this resolution are now ready to be applied against Saddam Hussein.''

At that point, a debate broke out. Some members of the council said, ``No, let the inspectors keep going. We do not want to see this noncompliance, and we agree with anything that comes before us.''

The United States did not feel it needed another resolution, but in order to go that extra step and also to help some of our closest friends--the United Kingdom, Australia, Italy, Spain and others--as well as to show the American people that we had gone the extra step, we tried to get a second resolution, not one we needed. We tried anyway. We fought hard for it. But we were not able to achieve success, because there was a hanging veto threat. No matter how many members were ready for vote for it, it was going to be vetoed.

It put people, members of the council, especially members of the elected 10, in a difficult situation. We elected not to take it for a vote because we had more than enough authority. That was a disappointment to many people. But remember, if that resolution had been passed, it said it was Saddam Hussein's last chance also, and he would have missed that last chance, and a conflict was coming anyway.

Without that resolution nonetheless Prime Minister Blair went before his Parliament, without the resolution that he needed and felt it would be very helpful to have. He made a powerful case so that his Parliament nevertheless voted and voted with a clear understanding that the legal authority is there for the forces of the United Kingdom to participate. The same thing happened in other nations that are part of this coalition.

The point was made that we do not have some of our traditional allies and friends with us. Well, we have a lot of our traditional allies and friends with us. Not all of them, but a lot of them. We have the United Kingdom and Australia. We have Italy, we have Spain. We have some new allies and friends who want to be a part of this.

Many of them are small countries. They cannot make a major military contribution, but they made a political contribution of enormous importance when they stood up and said, ``We are standing with what is right. We are standing with what the U.N. required. We are standing with the United States and its other coalition partners. Even though we cannot send one soldier in the face of public opinion that does not want war.'' No public opinion tends to want war.

I have been through this many times. It is only when people understand that you are ready to choose success, and that there is a good reason that you entered into this conflict, and you have made the case, unfortunately occasionally by the force of arms, then you get the support you need.

But in the absence of that support, these little countries with strong political leaders who knew what right was, even being threatened by other nations on the European continent--`You do not want to do this, you do not want to stand with them, you will have to pay a price later''--they nevertheless stood with us.

Now it is a willing coalition of 47 nations who are willing to stand up and say, ``We are a part of this,'' and a number of other nations who are cooperating and are willing but for one reason or another cannot say it out loud yet. But they will in due course. I think we should be proud that so many nations are standing firm with us.

Mr. Chairman, you also asked about embassy security, and, Mr. Serrano, you made a reference to it I think, sir. We are deeply concerned about the security of all our missions overseas. Our diplomats are in harm's way just as our soldiers are.

We are pleased that some of the disturbances we have seen around the world not become as severe as they might have. We are doing everything to protect our people. We have brought a number of people home to reduce our risk and vulnerability and part of our supplemental request is to pay for that.

We will continue to take our public case to the world. I think as more and more people see what we are doing, as we take our case, through leaflets and through radio broadcasts and new ways of communicating with the world, and especially the Arab world, as these efforts gin up as a result of your strong support of our public diplomacy effort, I think we can get on top of this.

There is a lot of anti-Americanism out there, but it is due to a large extent to the Iraq situation and the Middle East peace process. When we fix Iraq and when we show progress with the Middle East program and people can see that this is a nation that is not against any religion, especially not the religion of Islam, people will see that it is America that is fueled by values. We want to help people achieve a better life. We want to help people find a way to participate in this 21st century economic globalized world that we have. I think we can turn public opinion around in due course.

Thank you, Mr. Chairman.

EMBASSY IN BAGHDAD COSTS

Mr. Wolf. I thank you, Mr. Secretary. I appreciate your testimony. I have a number of questions we will try to go through quickly, so everyone has an opportunity.

Along with Congressmen Hall and Pitts, I was in the first delegation to Afghanistan. The three of us went to Kabul in January a year ago. We spent some time in Kabul, then toured the embassy. This committee then came back and gave you \$120 million to stand up diplomatic missions in Afghanistan and Tajikistan.

In the supplemental you are only asking \$55 million to reestablish the diplomatic presence in Baghdad. It clearly will not be enough. Why only \$55 million? That will not do it. You do not have an embassy. You had an embassy in Kabul. It was in relatively bad shape, but it could operate. You do not have an embassy now in Baghdad, and how will you do it with only \$55 million?

Secretary Powell. Well, I do not know that I can answer that question, Mr. Chairman.

Mr. Wolf. Maybe that should be increased.

Secretary Powell. Perhaps. I have to stick with \$55 million----

Mr. Wolf. I understand.

Secretary Powell [continuing]. Until I get with General Williams and our Diplomatic Security people to see whether there is something we have not considered and to get more fidelity into the plan that they have in mind.

Mr. Wolf. How many people will that bring you in Baghdad? Secretary Powell. I do not know, Mr. Chairman. I will have to provide that for the record.

[The information follows:]

The amount requested in the Iraq War Supplemental to reestablish a diplomatic presence in Baghdad is \$55 million. At this time, initial plans for that would be to use \$20 million for initial preparation of a facility. The Department's initial request is to lease and prepare an immediate temporary facility with space available for 200 US and 300 FSN's. The \$20 million would provide funding for approximately 120 days, including cost of preparing the facility and lease of space for 500 total staff. There would be \$17.9 million for post operations. This amount includes funds for 54 TDY staff for initial post operations (during Phases I and II--the first nine months), but would not include funding for projected American staff who would eventually replace them on a permanent basis. Funding also includes 30 Foreign Service Nationals during Phase I (the first three months) and 130 Foreign Service Nationals during Phase II (the next six months).

Finally, \$17.9 million for Diplomatic Security. Initial staffing includes in this amount for Phase I was approximately 43 TDY staff. During Phase II, approximately 33 TDY staff would be required.

In summary, the total projected staff level covered by the \$55 million was approximately 127 during Phase I and 217 during Phase II, as indicated in the following table:

	TDY Americans	TDY Security
Phase I	54	43
Phase II	54	33

Mr. Wolf. I do not think that is going to really be----Secretary Powell. The \$55 million assumes initially a leasing of a facility for \$20 million while we determine what our permanent needs are, and then \$35 million for staff and security.

Mr. Wolf. Well, \$35 million will not do it. Secretary Powell. All generosity will be greatly appreciated, Mr. Chairman. [Laughter.]

PUBLIC DIPLOMACY COMMISSION

Mr. Wolf. On the public diplomacy issue, I would like to see the administration put together a national commission, perhaps made up of 12 people, three from the administration and nine from outside, some of the best minds, as to what do we do with regard to public diplomacy around the world in order to tell the world--not to improve our image; we have a good image--to tell the world of the mission of America and why we are good.

As you may or may not know, 51 percent of all of the food that is going to feed the poor in Ethiopia and in Eritrea and in Zimbabwe and in North Korea, 51 percent of the food is coming from the people of the United States. Only 27 percent is coming from the EU. Quite frankly, not to say anything negative about France, but France is not doing a very good job with regard to feeding the poor and the hungry.

In order to get the word out, why would we, why would the administration not set up this commission? And if the administration does not do it, perhaps we should do it in Congress. You could be the chairman or bring somebody that you have confidence, but bring the best minds in the country to how we improve our public diplomacy around the world.

Secretary Powell. Let me take it under consideration, Mr.

Chairman. We have had conversations on this before, and I think it is worth taking a look at. We have a number of groups that provide us advice with respect to public diplomacy.

On the food issue, we hammer it over and over and over, make the point at every one of the international organizational meetings I go to. I think it is something that is understood, but we do not get enough credit for it.

SPECIAL ENVOY FOR FAMINE AND HUNGER RELIEF

Mr. Wolf. Well, good. I would hope that you could do that. I wrote Kofi Annan last week asking him to appoint a special envoy for hunger. We have hunger of Biblical proportions; 30 million people in Africa are going through a famine, ready to starve to death.

Could you speak to this? I know there is so much going on, but these people are also dying at this time. Could you speak to ask him to appoint--he has a special envoy for AIDS--to do the same thing with regard to world hunger for about a year, operate out of Rome, use the World Food Programme as the base, to go around to other nations asking them to give more?

Secretary Powell. I will talk to Secretary General Annan about it. As you know, I am absolutely in sync with you. I would ask for additional money for this famine program so that I have greater flexibility to respond to these catastrophes that come along.

Between HIV/AIDS and famine around the world, the two of them play into each other, and it is one of the greatest catastrophes facing the world right now.

[The information follows:]

[GRAPHIC(S) NOT AVAILABLE IN TIFF FORMAT]

INFORMATION CENTER IN IRAQ

Mr. Wolf. You are right. I should put $\ensuremath{\text{HIV}}\xspace/\ensuremath{\text{AIDS}}\xspace$ over the famine.

If you could, do that, and ask him to do this quickly, because even though Iraq is going and North Korea, these people are still dying daily.

On the war in Afghanistan, the department had an information center in Islamabad, which we visited, Tony and I, when we were there. You had a good person out there doing a good job, meeting with the Arab press.

Are you doing the same thing? How are you dealing with the Iraqi situation? Is there anything in the supplemental to have an operation like you had in Islamabad for the Afghanistan war? Do you have somebody picked out to go over there as soon as this thing is over to begin to make the cases, tell the points?

Secretary Powell. We are in the process of staffing up a full and very, very large team to deal with each of the ministries in the new Iraqi government as it is slowly stood up. We would be right there with the new Iraqi ministry when it is created, and we will also be putting in our own people to take our case to the Iraqi people and to the world as to what we are doing. Mr. Wolf. Have you selected a spokesman yet? Secretary Powell. Not yet. Mr. Wolf. What you did in Islamabad worked very, very well.

Secretary Powell. Yes. We did not have centers. We have a center in London and----

Mr. Wolf. But London just does not----

Secretary Powell. It is just we are not there yet; that is the principal reason. But we will get there.

What we have been doing in London and elsewhere is designed to catch the time zones as we go around the world every day. We intend to create that capacity and that kind of facility will be established in Baghdad.

SUDAN AND THE U.N. COMMISSION ON HUMAN RIGHTS

Mr. Wolf. Two last questions, then Mr. Serrano. We got a call, and I sent you a letter today. We heard that Libya and the French were working to take Sudan off of the violation of human rights list, in the Human Rights Commission.

Are you aware of that, and could not you speak to Kofi Annan?

Secretary Powell. I have heard that.

Mr. Wolf. To do that now----

Secretary Powell. I have heard that report, I cannot confirm it, but when I did get word of it I spoke to Secretary General Annan yesterday and said that even though we see some progress in our efforts to solve the situation in the Sudan, this is not the time to take the pressure off. And especially to make sure that we keep a U.N. special rapporteur----

Mr. Wolf. That is right.

Secretary Powell [continuing]. In place for Sudan. And he and I had this conversation yesterday morning.

Mr. Wolf. Well, I am worried about the EU. I think it is important for your people in Geneva to speak to our European friends, because I understand they may be joining with Libya and we would be outvoted, and that might undo all the good that is being done with regard to Special Envoy Danforth.

If you could have somebody let me know----

Secretary Powell. I will. We will get word back to you, Mr. Chairman. I am sure I will be speaking to Foreign Minister George Papandreou of Greece, who currently has the presidency of the EU, to make sure that we do not have slippage there.

[The information follows:]

[GRAPHIC(S) NOT AVAILABLE IN TIFF FORMAT]

CONGRESS' ROLE TOWARD U.N.

Mr. Wolf. Thank you.

Mr. Serrano.

Mr. Serrano. Thank you, Mr. Chairman.

Secretary Powell, when I first joined this subcommittee, Chairman Rogers and I confronted head-on, and then later Chairman Wolf, the issue that many Members, especially in the majority party, were not happy with the U.N. and were not happy with the idea of paying dues to the U.N. In view of what has happened recently, I suspect when this thing settles down that that may even grow to a new fervor, and perhaps on both sides of the aisle.

You, however, have been quoted as saying that you still believe in the ability of the U.N. to play a major role. So what would you hope is Congress' role in our behavior toward the U.N.?

Secretary Powell. I will be supporting our request for the U.N., and I would encourage Congress to keep supporting the U.N. We have finally gotten our arrears cleared up, the President made a decision to rejoin UNESCO, the U.N. has important work ongoing around the world, whether it is peace keeping, famine relief, or so many other things that the U.N. does. It is the United Nations that passed the Security Council resolution under which we went into Iraq, 1441.

Now, it does not mean that they will come into agreement on every issue. If you look at the history of the Security Council over the years, there have been many instances, as recently as 1998 in Kosovo, where you could not get the U.N. to approve an action.

We should not throw out the U.N. because of some disappointment with the second resolution, which we did not really need in the first place, or some of the theatrics that took place in the Security Council.

The U.N. will also have a role to play in the future of Iraq as we go forward. We are in close consultation with Secretary General Annan on that and his colleagues within the council.

U.N. AND U.S. FOREIGN POLICY OBJECTIVES

Mr. Serrano. What role do you see, Mr. Secretary, for the U.N. in securing U.S. foreign policy objectives in the future? Has this been damaged to a point where it needs major repair, or do you think, because of your comment on 1441, that there might have been a problem with individual members, but not with the organization?

Secretary Powell. No, the U.N. is a body, and when it is doing work in the Security Council there are 15 nations in the council, each bringing different equities.

When you look at the composition of the council as it existed in the fall of last year when we were debating 1441, there was an Arab nation, Syria, that we have on our list of terrorist-sponsoring states, and there were three permanent members that in 1998 had abstained on the inspections regime in the first place: France, Russia and China.

This time, as the result of the strong debate, we got a strong resolution that put in place a strong inspection regime that was supposed to help Saddam Hussein comply.

They all voted for it, 15 to zero, with no misunderstanding about what the nature of that resolution was or what it provided for.

Now, subsequently and for the second vote, the second resolution, views widely diverged. Some felt, ``No, no, maybe he has not complied but it is good enough for now, let's keep the inspections going.''

We saw that as a way that he was using to get out of the

box that he was in and to get away from compliance, and that is when we said, ``No, let's remember what we came here for.''

I think that the U.N. can still be very useful with respect to the pursuit of U.S. foreign policy objectives, but we cannot expect the U.N. to be a rubber stamp of U.S. foreign policy objectives. We have to go there, and we have to fight for what we believe in, stand by our principles and hope to persuade others.

IRAN AND U.S. NATIONAL SECURITY

Mr. Serrano. Let me ask you a question, Mr. Secretary, that will take you back to the early 1990s.

There are a number of countries in the Middle East that could be considered threats to American national security. An example would be Iran with its nuclear potential. It is my recollection that the last time we were fighting in Iraq, one of the many reasons why we did not decisively defeat Iraq, or we did defeat but did not move on to where we were supposed to, or some people think we should have, was because of our concern that Iran might become a major problem in the region once Iraq was defeated.

Does Iran still present this kind of a foe to us, and how do you suggest that we handle that in case they do?

Secretary Powell. Iran was a problem then, Iran is a problem now.

We are concerned that Iran continues to pursue nuclear weapons development. It continues to build up its military capability. It continues to support terrorist activities.

But there is a great deal of turmoil occurring in Iran now as the very young population of Iran is demanding a better life, not nuclear weapons or support of terrorist activities. I think the forces within Iran, the President and the ayatollahs and the religious leaders, are struggling to find out how to deal with the aspirations and desires of the Iranian people.

We will encourage the Iranian people to continue to press their leadership to lead them toward a better life and not toward weapons that will do nothing but bring turmoil to the region and no better life for the people of Iran.

At the time of the Gulf War, a conscious decision was made that the mission of the coalition forces was to eject the Iraqi army from Kuwait. The decision not to go to Baghdad was never a decision that was before the war council or the coalition. It was never under consideration during the preparation for the conflict. The decision to eject the Iraqi army from Kuwait was made before the war started. It was a political judgment and a military judgment made by President Bush 41, by all of his civilian advisers and military advisers. It was the basis of the U.N. resolution, and it was the basis of the resolution that passed in the Congress by just a few votes in both chambers.

The suggestion that at the end of the war we had failed in our objective of going to Baghdad is wrong. We never went into Baghdad. You could argue as to whether we should have fought another day or two, and that is a legitimate argument. It is not a legitimate argument to say we did not go to Baghdad when we were supposed to. We were not supposed to; we did not go. We also fought that war recognizing that Iran and Iraq had just recently, three years earlier, completed an eight-year war between the two of them. We did not want to leave the Iraqi army so devastated that it could be a total pushover if Iran started that war up again. We cut the Iraqi army down to size for the purpose of self-defense and not as a threat to its immediate neighbors, but with enough capability to defend itself from Iran. I think we did that well.

Mr. Serrano. Now, is that issue still a concern about destroying their army or will the occupation prevent Iran from trying anything funny?

Secretary Powell. Iraq will need a military. It will be a nation that lies in a troubled neighborhood. It will need a military. We will help with rebuilding the right military.

But it will be a military that is committed to defending itself, protecting its people, preserving its institutions and fully under civilian control. There will not be a military that will have the mission, the capability of invading its neighbors.

Mr. Serrano. Thank you, Mr. Chairman. Mr. Wolf. Mr. Rogers.

U.S. AID TO TURKEY

Mr. Rogers. Thank you, Mr. Chairman.

Mr. Secretary, good to see you. It is good to have you here and it is good to have you there, because I do not know of anyone that we have that could approach the job that you are doing at State.

You may have, however, a need for a little of your persuasive powers in the Congress on the \$1 billion for Turkey. Would you like to give us 15 seconds worth of that?

Secretary Powell. I would be very happy to, Mr. Rogers.

Turkey is a good friend of the United States and has been for many years. As we entered into this crisis situation with Iraq, we asked for a number of things from Turkey. We were asking for access agreements and the ability to do things in Turkey at a time when their government was changing. A new Prime Minister was on the way in, but not in. We put quite a request before the Turkish leaders.

Because they are such good friends of ours, in spite of public opposition, the Prime Minister coming in, Mr. Erdogan, put it before the Turkish parliament on March 1st. Initially, we thought it had passed, but it turned out not to have passed due to parliamentary maneuvering. It was a loss for him, even before he would become the Prime Minister.

After he became the Prime Minister, we reviewed the package. We reviewed the bidding. In the course of our discussions, we had, of course, said to them that we would compensate them for any losses and help them with their economic problems.

We were unable to get the entire package. It did not make political sense to go for the whole package. The window, frankly, had closed. The needs of our military were such that if we could not use the full package in a timely manner, part of the package was not relevant, and it went away, as did the \$6 billion commitment. We did get overflights last week. Our troops are now using that overflight authority to support our efforts in Iraq, and we are very pleased with that. Even if we did not get the package that would have led to a \$6 billion support effort for the Turks, we felt that in light of Turkish potential needs in the future, in light of the fact that with or without their support we should be positioned to assist them economically if they have a need for such economic assistance as this conflict unfolds.

It was for that reason we thought it would be wise to put into the supplemental the \$1 billion that you made reference to, and put it before the Congress. Let the Congress debate it and, hopefully, approve it, so that we have it available should a need arise that suggests it would be helpful to help the Turkish economy with that amount or some part of that amount.

ADMINISTRATION OF IRAQ

Mr. Rogers. Now, on Iraq, let's say that Saddam collapses today or tomorrow and the coalition forces enter and establish peace. What do you see in the way of the short-term postliberation administration of the country pending the long-term solution?

Secretary Powell. Initially, the military commander, General Franks and his commanders, has a responsibility, as the occupying power, to stabilize this situation throughout the country, to make sure that weapons of mass destruction have been found, to make sure the army is now under control and those leaders who had allegiance to Saddam Hussein are gone, and we start to turn the Iraqi army to productive pursuits in the immediate future, reconstruction and other things they can do to help secure the country. That will be the responsibility of the military commanders.

But almost at the same time, we would put in place what we are calling an Iraqi interim administration; start to bring together Iraqis who have been outside the country and those inside the country into some kind of an organization that would provide a nucleus of a new government, and will begin to exert authority over various functions of the emerging Iraqi government.

We would do this with full understanding of the international community and with U.N. presence in the form of a U.N. special coordinator, although the name and title has not been finally decided upon, but with U.N. recognition of what we are doing and some level of endorsement in the form of a new U.N. resolution.

As the situation stabilizes itself, we would transfer normal responsibility from our military and coalition military leaders over to the interim authority and to civilians that we would bring in. The coalition would bring in a civilian group, which has been formed under the leadership of retired Lieutenant General Jay Garner. They would assist the Iraqi interim authority and the remaining institutions in Iraq to start to integrate themselves into a new Iraq, making sure we have purged the regime of those who were committed to weapons of mass destruction and the oppression of the people of Iraq.

Then over time, slowly but surely we hope, it is our

expectation that we prepare for a full transition back to an Iraqi government that has been legitimately put in place by the Iraqi people themselves, that is up and functioning and can manage this diverse country of 24 million people with a number of different tribal groupings and fundamentally different population groupings that have to be kept together in one single state. We want to do this as fast as possible.

The United States does not come as sovereign to take over Iraq. We come as a leader of a coalition to put down this regime since it would not put down its commitment to weapons of mass destruction, and as soon as we can, startsubstituting military leadership with civilian leadership initially from our group, and then move into the interim authority and the interim authority growing into a new government that will reflect the will of its people.

AFGHANISTAN AND IRAQ COMPARED

Mr. Rogers. Would you say what happened in Afghanistan is a rough model of what might occur here?

Secretary Powell. In the broadest sense. I do not think you can make a direct parallel case. But it is illustrative of what one can do.

In Afghanistan, we put out the former regime, began rebuilding institutions, worked with the international community, started to secure the population. U.S. troops are still there. But there is now a president with a functioning government. He has been endorsed by a loyal jirga. And hopefully in about a year from now he or some other individual will be elected, in a fully democratic manner, president of Afghanistan. We should be very proud of what we have accomplished.

Now, will it unfold exactly that way in Iraq? I think not. It is a different country, a different set of needs.

One thing you have to remember when you talk about the reconstruction of Iraq, it is not reconstructing it from damage we are doing during this war. The damage we are doing will be pretty minimal. It is reconstructing it from the damage that Saddam Hussein has done to it over the last 20-plus years.

We are also not dealing with a country that is devastated and has no economic wherewithal, such as Afghanistan. We are dealing with a country that has a revenue flow of \$20 billion a year, an educated population and a functioning civil service. They are marvelous bureaucrats through 5,000 years of Mesopotamian record-keeping. We are working with the foundation here, as opposed to the more difficult task that Afghanistan presented.

THE FUTURE OF IRAQ

Mr. Rogers. Mr. Secretary, briefly with what time I have left here, if you could talk directly to the people in Iraq, those people who have been suppressed by a brutal dictator for these decades, living in abject poverty and sickness and domination in the middle of the dust and the dirt and the grime, and now this war that has befallen them, if you could speak to them about what may lay in store for them as people, as individuals, what would you say? Secretary Powell. I would say to the people of Iraq, ``A better life awaits you. I know you are afraid. I know you are anxious. Some of you may well be terrified by what is happening around you. I know you have been told for decades that the United States and the other coalition nations that are now on the way to Baghdad are your enemies, and we mean you ill.''

I would say to them that, ``This is not the case. We come in a time of war to prepare for a time of peace, a time when we can make Iraq what it once was, a prosperous nation, a nation that had the GDP of a number of Western European nations just 20 years ago.

``We will leave you without the burden of paying for weapons of mass destruction and making yourselves the pariah of the rest of the world. We will help you with your educational institutions. We will help you with your health care institutions. We will help you rebuild your economy so that your children can look forward to a better life.

``Sixty percent of you are now receiving food as charity. We will try to recreate an economy where each of you can go out and earn your daily keep and bring your daily keep in and show your family dignity because you are able to do that.

`You will no longer be a pariah in the world. You will be welcomed back into a family of nations that is committed to peace and committed to living in peace with your neighbors. ``Help and hope are on the way. You will have a brighter

future.''

Mr. Rogers. Thank you, Mr. Secretary. Mr. Wolf. Mr. Cramer.

DIPLOMATIC READINESS INITIATIVE

Mr. Cramer. Thank you, Mr. Chairman.

Mr. Secretary, welcome back before this subcommittee. We appreciate your presence, especially today, with the circumstances surrounding what is happening there in Iraq.

And, as well, I want to say that I appreciated your leadership on behalf of this country.

I have in the past engaged you in a dialogue about our foreign service personnel, and you have indicated to me that it was your goal to make sure that we expanded the hiring process, that we open the hiring process. So I want to direct your attention to your Diplomatic Readiness Initiative.

I see that the budget request this year is for \$97 million to complete that and that you will hire an additional 399 foreign affairs professionals. And our foreign policy, as you have stated in your statement, is carried out through our people, so I am very interested in how that readiness program is going.

You also say that you will provide a total of 1,158 new staff at the Department of State. Does that include the 399 additional foreign affairs professionals? Could you give me a little more information?

Secretary Powell. The 399 are foreign service and civil service professionals. Then there are a number of other hires in Diplomatic Security and supporting efforts, if I am not mistaken. Mr. Cramer. And would you tell me then, in the past you talked about streamlining the hiring process to get the best people, and the issue was that not enough people were coming into the diplomatic corps. How is the exam process going? Have any changes been made? Are more people taking and more people passing it?

Secretary Powell. Oh, yes. We have been too successful. We have been incredibly successful.

When I came into the department I discovered that for a couple of years in the previous administration they did no hiring, they were not even giving the exam, which was disastrous for an organization that is trying to grow and have, you know, lifeblood coursing through its veins.

We really went to work on this, as you know, sir. The number of people coming forward to take the foreign service exam has been absolutely overwhelming. For the last exam I think 36,000 people applied, and we expect at least half of those will show up. We will have 19,000, 20,000 people per exam.

I would guess off the top of my head--and I can give you the figures for the record--that in my two years and a couple of months over 100,000 Americans have applied to take the exam.

What is exciting is that so many minority Americans are applying to take the exam. For the most recent exam before this one, the pass rate was a good pass rate, and some 38 percent of those who passed the exam were minorities.

We are taking advantage of the Rangel fellowship program, the Serrano fellowship program, and a number of other programs such as these, to get more and more youngsters of minority background into the department so we can look like not just America, but also so we can look like the rest of the world.

I think we have been very successful at that. Just keep giving me the support.

[The information follows:]

[GRAPHIC(S) NOT AVAILABLE IN TIFF FORMAT]

Mr. Cramer. Well, congratulations there. Secretary Powell. If I can make one more point----Mr. Cramer. I wish you would.

Secretary Powell [continuing]. Also when I came in, it was taking about two to three years to access somebody, to get them into the department. We sliced that in half, and I will not be satisfied until we got it down to nine months.

My problem is I cannot hire all these great Americans, even with what you have done for me; 399 a year does not tap into the pool that I have of quality Americans who want to serve their country.

But that also is the reason I will be coming back in next year's budget to start it all over again.

FOREIGN SERVICE FAMILIES AT POST

Mr. Cramer. Well, we will be ready to receive you then, as

well.

As I have a limited opportunity to visit with our personnel in the State Department at our embassies around the world, I am always incredibly impressed by who is there and how our country is represented, so it is a people issue.

But I am also impressed with the number of families. You have a husband, wife, spouse, spouses. And how are we doing there with regard to recruitment? Because sometimes that seems to be a problem, that is, that you have a husband-wife team, but one is qualified to do certain things and the other is not.

Secretary Powell. We work hard to try to keep our families together. It is not always possible. I had the same difficulty in the military. As they become more senior it becomes even more difficult to find two compatible assignments at the same post, and so you do see some separations. But we work hard at it.

We are trying to expand the opportunities for family members to work at our various posts around the world. We also have right now in the service married ambassadors, one couple. Both of them are accredited to embassies. So it is the third time in our history where we have had a couple serving as ambassadors in two different countries at the same time.

Mr. Cramer. Thank you.

Secretary Powell. We could not let them both be the--never mind. You understand. [Laughter.]

Mr. Wolf. Mr. Taylor.

AID TO TURKEY

Mr. Taylor. Mr. Secretary, I certainly support what you have done for our nation, from the days when I first came to Congress, the first Gulf War, and then, of course, your service as Secretary of State.

I share Mr. Rogers' concern about money for Turkey. I think that will be a hard sell, but I can understand.

Is there any money in the supplemental for France? [Laughter.]

Secretary Powell. No.

HUMANITARIAN AID AND IRAQ OIL

Mr. Taylor. I just wondered, though, since Reuters had said that the \$1 billion for Turkey was to cushion Turkey's shock from the war with Iraq and I know France took it pretty hard. I just wondered if there was additional aid for France.

What about the Iraqi oil? I know it is our intention that the oil from Iraq will be utilized in a way to rebuild Iraq, to use it in a way that does not add to the totalitarian government Iraqis have had, but instead builds schools and hospitals and things of that nature, which a nation would have.

I know we have humanitarian aid coming, we have a cost of the war coming and we have the cost of the development of Iraq. Will those funds from Iraqi oil be used for all three of those efforts or will they be limited in use? Could you tell me that?

Secretary Powell. The oil of Iraq belongs to the people of Iraq. As we re-establish control over the country, we are making plans as to how that asset can be protected and used to benefit the people of Iraq. Certainly, it will be used for the kinds of things you mentioned, Mr. Taylor, schools and whatnot. But it is the source of revenue to run the country.

To the extent that humanitarian needs exist in the country, then that revenue should be used for the purpose of satisfying those humanitarian needs.

Under our international obligations and international rules with respect to conflicts, that is how we would have to use that money. It would be inappropriate to start using it, say, to pay for the weapons or pay for the cost of the war itself.

RUSSIAN SALES TO IRAQ AND VISAS

Mr. Taylor. I thought it would be good to make that clear. I appreciate that.

You mentioned that we want to strengthen our ties with countries that share our views, and I agree with that. You and I have had conversations before the Committee about Russia, and I know there is some question about whether Russia's supplying equipment and so forth to Iraq. Mr. Putin, to his credit, has said if he finds that to be true, he will prosecute those involved or see to it that they are prosecuted. I can certainly take his word on that.

We still have a visa arrangement with Russia that makes it very difficult for Russians to travel to America or for Americans to travel to Russia. Would it be asking too much to suggest your office enter into negotiations with the Russian Foreign Ministry to see if we can correct that? We do not have a visa requirement with France, or Germany or other parts of Europe, and I would like to see us, if possible, put some time into that effort.

Secretary Powell. On the first point, with respect to the equipment that we believe was sold by a Russian company either with or without the knowledge of the Russian government to Iraq, we have been in almost daily conversation with the Russians. We had pointed it out to them some months ago, and they did not see this as a basis for our concerns.

But every day this week so far I have spoken to the Russian foreign minister about this problem, and he and I spoke just a few hours ago. We have given him some very, very recent and fresh information that underlines our concerns. He assured me that this new information was interesting, and they would run it to ground. They did not want this to be an irritant in our relationship. They are hard at work on it. I hope they will find out what we know to be the case and deal with it.

On the visa situation with Russia, as a result of 9/11and the creation of the new Homeland Security Department, we are reviewing all of our visa requirements around the world, looking at those countries that are under the Visa Waiver Program, to see if that is still the appropriate mix. Should other countries be under it, should some of the countries under it be removed from it? In the course of our deliberations, we can certainly look at the manner in which we handle visas with respect to Russia.

I spent a lot of time with Mr. Ivanov talking about occasional visa problems that come along, and even special cases that come along. I certainly want to look at that.

As you know, under the new Homeland Security Department,

policy issues with respect to visas now belong to Secretary Ridge, and I am essentially the operating officer for Secretary Ridge with respect to those kinds of policy; I have significant foreign policy input to the judgment, but overall policy on visa admission will rest with Homeland Security.

Mr. Taylor. Well, I thank you for your past and future efforts in this area, and thank you for the job you are doing. Mr. Wolf. Mr. Sabo.

STUDENT EXCHANGES AND VISA PROCESS

Mr. Sabo. Thank you, Mr. Chairman.

Mr. Secretary, welcome to the committee.

Let me go a little bit to the visa question. I am new on this committee and also involved in the Homeland Security Committee. And one of the things I am trying to understand is how we deal with people coming into the country at our borders. And I do have some concerns.

Clearly keeping people out who should not be in and would want to harm us is the top priority. On the other hand, we have thousands of people from other countries who come to this country to study. We have within your budget specific programs to encourage that.

But I am increasingly hearing from academic institutions that the number of students who are coming are down, simply because of problems of getting visas, and that schools that were actively pursuing students from other countries are, sort of, backing down because of all the difficulty involved.

And I do not know the answer, but somehow I would hope we would find that proper balance of making sure that we have oversight to keep people out who should not be coming. But we do not want to, sort of, clam up and keep other people out. That is one of our great strengths, and has been traditionally that we try and encourage by all kinds of programs, including the ones in your budget.

And so anything you can do to help make sure that we get the maximum number of students here to be part of our society, I think would be a great plus.

Secretary Powell. Sir, I could not agree with you more.

After 9/11, we realized that we did not have adequate control over who was coming into the country and who was here and did not leave. We really had to take some extraordinary steps to get control of that situation.

We also discovered that when we tried to check somebody to see whether we should be concerned about giving them a visa, there were databases everywhere, and they were not all talking to each other, they were not all connected. We have worked very hard to improve that situation and bring all the databases together. There are now 13 million names in one of our databases alone. We want to link it all in a way that an officer out in one of our visa-issuing or visa-checking places, no matter where, can instantaneously pulse this database and quickly get an answer, so we do not send people away and say, ``Come back in six months.''

We shocked the system pretty good, and we lost students. We lost health care workers. We lost doctors and nurses from places like Pakistan and India who were going to work in the Midwest on these exchange programs. We lost visitors to Disney World and Disneyland. We took a big economic hit on this issue.

We have been working hard to find the right balance. And Governor Ridge and Attorney General Ashcroft and I have spent a lot of time on it. We are putting in place a new program that essentially says: Secure our borders, open our doors. We have to let people come into this country.

Regarding the problem that was mentioned earlier by the Chairman about public diplomacy, I can never win the public diplomacy argument if people think we do not want them to come to our country because they are Muslim. We want to make sure when we say, ``No. We just want to know who is coming here.'' That is not unreasonable. Most nations in the world have programs already that know who is in the country, and when you have left. They register in hotels. They have ID cards. All sorts of things take place.

We just need to know who is coming into our country. Then, we want to be as welcoming a nation as we can be. We have to put in place systems that will do this quickly.

It has hurt us in a number of ways. Our health care industry has taken a hit. People do not want to come to some of our great clinics and hospitals because of the hassles, so they will go somewhere else: to Great Britain or France or Australia, places like that. We do not want that.

Airline pilots of Arab nations have suddenly discovered it is too hard to be an Arab pilot and get into this country for reasons that are obvious. They will do their refresher training in some other country. We want them to come here to get that refresher training. We want them to get the best to meet the highest standards; they are going to be flying into our country. We have to be sensible about this and find the balance.

Some American companies, for example, doing business in Southeast Asia, in some instances, have had to shut down their company because they cannot get their local workers to the United States to get updated on the work to go back and forth to conduct business without the hassle of visa delays.

We will fix this. We will find the right balance between securing our borders and keeping our doors open.

ECONOMIC IMPACT ON TURKEY FROM PERSIAN GULF WAR

Mr. Sabo. Mr. Chairman, if I might, just maybe another short comment, and then a question.

I was one who did not support the policy that got us into the conflict in Iraq. But I would often observe that one of my concerns was both the short term and the long term. And I would observe to some people, I expect that those of us who oppose the policy would probably have to end up being the votes for the necessary policy in post-conflict.

And I would simply say I am one who is sympathetic toward your request for Turkey. And my question would be, what type of economic impact was there on Turkey from the first Persian Gulf War of 1991?

Secretary Powell. It was enormous. It was in the tens of billions. I can give you a more precise number for the record.

It was for that reason that the Turks were nervous and

uneasy about this time when we were looking for political expressions of support and, frankly, economic support if theyneeded it. They have an economic problem that we have tried to help them with not only with financial aid, but taking their case to international financial institutions. It was for that reason that we wanted to be seen as being forthcoming this time around.

Now, I do not think the economic impact will be as great if we have a reasonably short conflict and we are able to keep that flood of refugees that went to Turkey last time from doing the same thing this time. We have been successful in that regard. I just hope the impact will not be as great.

Frankly, with Iraq as a threatening regime gone, certain stability should return to the region that will encourage travel, that will encourage economic activity and that will regularize commerce in that part of the world.

Mr. Wolf. Mr. Regula.

TRANS-ATLANTIC RELATIONS

Mr. Regula. Thank you, Mr. Chairman.

And I want to say at the outset, Mr. Secretary, I have great confidence in your stewardship of the agency. I think you have done a terrific job. And I think all Americans would feel that way.

One question, regarding our trans-Atlantic relations. In your responsibility you have to think long term, as well as short term. And one of the dangers, I think, of the existing situation in the world is that we will deal with short term concerns and forget the long term.

Trans-Atlantic relations, historically post-World War II, have been good in many respects. Right now, it is a little dicey in some instances. But do you think we can restore this historic Atlantic partnership after we get over some of the more immediate hurdles?

Secretary Powell. I am quite confident of it, Mr. Regula. I have seen this kind of stress in the trans-Atlantic partnerships before.

I remember the deployment of ground-launched cruise missiles and Pershings back in the mid-1980s that caused a great deal of stress. I remember at the beginning of the 1990s, the debate was do we need NATO any more now that the Soviet Union is gone?

Lo and behold, rather than NATO going away, we keep getting these membership applications from people who want to join this fraternity.

Why? Because it is a fraternity of freedom-loving people, it is the basis of security in Europe, and it is the linkage they have to North America and, in turn, the United States, especially.

That trumps the problems that come along. There are stresses in the current trans-Atlantic alliance between ourselves and, to be candid, our French friends and our German colleagues.

We will work our way through this. We are not fighting on every issue. We had fundamental disagreement on Iraq, fundamental agreement on expanding NATO, fundamental agreement on expanding the European Union, fundamental agreement on working together in Afghanistan, fundamental agreement in Bosnia, on Kosovo, on Macedonia. On issue after issue there is fundamental agreement.

As I once remarked somewhat jovially, you know, the United States and France we have been in marriage counseling for 225 years. [Laughter.]

But guess what? The marriage is there. And it will be there.

EXCHANGE PROGRAMS TO MUSLIM COUNTRIES

Mr. Regula. That's a good way to put it. I was pleased to note that the FSA and CED programs had been transferred from foreign operations to your department. I was interested that in funding exchange programs, there seems to be an emphasis on Russia and central and southeastern Europe.

I am wondering whether you are going to change that focus a little bit to the Muslim countries, because it seems like these countries will be an area of tension, prospectively?

Secretary Powell. I think that is an excellent point, Mr. Regula, and I have not looked at the allocation or what we are planning for the upcoming year, but I think it is worth taking a look at. You are quite right.

But Eastern Europe I would still say we need, there is a lot to do.

Mr. Regula. Yes, I understand.

Secretary Powell. I would love to expand all of these programs, and not short anybody.

Mr. Regula. Well, I have been a big fan of the exchange programs, and I think probably there ought to be some emphasis added to, not by subtracting from Eastern Europe, but added to in terms of the Muslim countries for the long term.

And I would hope that would be the direction the department will take.

Secretary Powell. I certainly agree, and you will find in our request money for the Middle East Partnership Initiative, where we are working with Arab countries on educating their young people and instructing their teachers and bringing some of them over here to learn more about our country and take that message back.

Mr. Regula. Well, I think from your earlier statements you are very strongly in support of rebuilding or enhancing the exchange programs.

Secretary Powell. In the 2003 appropriation there is \$245 million for such programs, \$14 million to the Near East region, and another \$8 million to South Asia.

But that might be worth looking at again. In this 2004 program we have added \$100 million, an increase from \$245 million to \$345 million.

Mr. Regula. I noticed that.

Secretary Powell. That delta increase ensures that I certainly will take a hard look to see how much of that should be allocated to the Middle East and South Asia.

INMAN REPORT

Mr. Regula. With regard to recommendations of the Inman

Report, which was issued some time ago, have you been fairly successful in completing the recommendations of that commission?

Secretary Powell. I think so, and I think we have had considerable success in building facilities that are modern, that are very representative of our country and blend in well, but are also secure.

We have just reopened the embassy in Tanzania. I am very pleased with the construction program in the embassy in Kenya, and I am very satisfied with our progress toward accomplishment of the Inman objectives.

STATE DEPARTMENT LIAISON OFFICE

Mr. Regula. One last question. Is the liaison office working well on the Hill, because as we hopefully expand the contacts once again with our friends in other parts of the world, members can often times use the services of this office.

Secretary Powell. I am so glad you asked, Mr. Regula. I am very pleased that the House granted us a small closet--no, it is really a very nice room----

[Laughter.]

Secetary Powell [continuing]. It is a very nice room for us to have a liaison officer up on the Hill, two of them, and I have been by to see them and ask them about their work, and they are charged-up to be up here.

I encourage all members of the House to take advantage of that liaison office for member services, constituent services, visa problems, anything they need, because they are your little State Department up on the House side.

Now, I am having a little bit of trouble with my Senate colleagues, and I made the same offer to them. They seem to be short of space, and they have not been able to find a place for me yet.

But I think we are close to getting it. I think we are about to get it consummated. I have to make one or two more phone calls, and we will be there. [Laughter.]

Feel free to invite your Senate colleagues to come over and use the House office.

Mr. Regula. We will remember that.

Mr. Wolf. We have trouble with the Senate, too. [Laughter.]

Mr. Serrano. I wanted you to elaborate on that cutting part. [Laughter.]

Secretary Powell. Cutting a deal, Jose. You know what I mean.

Mr. Serrano. That is against the rules.

U.S. AND GERMAN RELATIONS

Mr. Wolf. Before I recognize Mr. Kennedy, I just want to agree with everything that Mr. Regula said. I am not into retribution and I think friends ought to be candid with friends.

For instance, with regard to Germany, I am half German. My grandparents were German immigrants. I still have family in Germany. But I think we should tell the Germans that we are disappointed.

Not in anger. When Mr. Regula was talking it just triggered it, the Berlin Airlift, there is a statue there, the number of men, American men that died in the Berlin Airlift to feed relatives of mine, if you will.

They should remember the Berlin Brigade, Checkpoint Charlie. The soldiers, and if my memory serves me, the Fulda Gap, the cold snow coming down when they are standing there looking across, the young soldiers away from their home. The last American killed was Major Nicholson, I think, from Springfield, Virginia.

Secretary Powell. Yes.

Mr. Wolf. And so I think we ought to tell the Germans. So I, as half-German, would say to my German friends, if you will, ``We are a little disappointed, because we have been there all the time.''

Now, I guess one of the strengths is we created democracy. But I do think they have taken a little bit of advantage of us.

I think friends, good friends--and the Germans are our good friends, and my grandfather went to a Lutheran church service in German, went to the early service, because he spoke German-and so I think I can say it. But we are a little surprised and a little disappointed.

It is fair for us to say we were a little bit surprised, a little bit hurt, a little bit disappointed, and both of us have to work together to bring that relationship back.

But there is a long history of Americans who have served for freedom, whereby the Germans would have that right to have a democracy, and do. And so I think when we rebuild that relationship, as I hope and I think, Mr. Regula, it is fair to say to the Germans, ``We are a little hurt, we are a little disappointed and hopefully this will not happen again.''

Secretary Powell. If I may, Mr. Chairman, there is no mistaking that message. The Germans know it. They fully understand it. They know that we are greatly disappointed. We believe that the issue was misused in their campaign last year.

My German colleague, Joschka Fischer, and I talk about it a lot. He knows that I started my Army career guarding the Fulda Gap as a second lieutenant, and I ended the operational part of my Army career as a commander of the 5th Corps, the corps that is now in the deserts of Iraq approaching Baghdad.

I know exactly the monument you speak of. It is at Rhein-Main, one end of it. The other end is in Berlin. I have reminded Mr. Fischer of what our relationship with Germany has been over the years and the sacrifices we have made. They know how disappointed we are.

But we also know that we do many things together with our---

Mr. Wolf. Of course.

Secretary Powell [continuing]. German friends, and we have to get over this, but we are not going to just ignore it and forget about it right away.

Mr. Wolf. Well, thank you. I appreciate it. Mr. Kennedy.

WEAPONS OF MASS DESTRUCTION

Mr. Kennedy. Thank you, Mr. Chairman.

Welcome, Mr. Secretary of State. And I want to join with my colleagues in thanking you for your service to our country.

I wanted to ask you to talk a little bit about the threat of weapons of mass destruction as we go forward. You know, we heard the other day Secretary Rumsfeld say it was the single greatest threat to our security going forward, that in this new war on terrorism this is what we need to worry about, these weapons getting into the hands of terrorists.

And so I wanted to ask, how are we working with our allies to develop a global monitoring system so that we have the equivalent of a Nunn-Lugar situation in every country?

And can you give us as a backdrop and context how many countries that we know now have chemical and biological weapons and what are we doing? Give us a little update on the chemical weapons treaty and where that stands, if you would.

Secretary Powell. I certainly agree with my colleague, Don Rumsfeld, that these weapons of mass destruction, as they are called, chemical, biological and nuclear, are a grave danger to us and to the world, because they can inflict such large numbers of casualties. In the case of chemical and biological weapons, rather cheaper and rather surreptitiously and rather easily.

Now, they are not simple weapons to create and use; some sophistication is required. You have to make sure you protect yourself while you are working with this material and getting ready to use it and using it. What has particularly concerned us, and especially in the case of Iraq, is when you have a sophisticated potential supplier, a state like Iraq, that is developing these weapons, weapons that could get into the hands of a terrorist. What we are worried about is not necessarily Iraq attacking us, but Iraq providing the wherewithal of somebody else to attack us in a way that would not be traceable back to that state. That is what makes these weapons so terrible.

Nuclear programs are a little easier to detect. This is not something you can do in an average civilian chemistry lab or chemical facility or a drug company that suddenly stops making a drug for health care and is making a biological weapon. Nuclear programs are a little more visible, although we have also learned they can be kept hidden for a long time before they become visible, such as in North Korea and other places.

Nunn-Lugar programs and similar programs are important because they get rid of these weapons and material for these weapons in a systematic, accountable way, and that is why we are working so hard with the Russian Federation, not only on Nunn-Lugar but other programs, such as the 10-plus-10 program, where we and our European colleagues and our Japanese colleagues provide more money to the Russian Federation to get rid of this stuff that they developed over the years.

The danger in these weapons, of course, is that I am notsure you can have a total international world monitoring system, since in many cases you can develop a chemical weapon in any moderately well-equipped facility that does some other kind of chemical activity. I have not been able to think through the feasibility of creating an international monitoring system. We can have an international monitoring system with respect to precursor chemicals----

Mr. Kennedy. Right.

Secretary Powell [continuing]. Or things of that nature, and that is worth examining and looking at. But we should not underestimate the ease with which it can be done, the ease with which both biological and chemical agents can be made and would be hard to capture in an international monitoring system.

In light of what we have seen, though, the President has tasked us, the State Department, Defense Department, the National Security Council, to examine putting in place a more comprehensive nonproliferation system for the world than we currently now have with the NPT and the Chemical Weapons Convention.

Mr. Kennedy. How many countries currently have them, and do we have a pretty good sense of keeping track of those that they do have.

Secretary Powell. I have a general idea of how many. I would like to verify that number in my mind for the record and make sure I am not giving away anything that is classified. But it is certainly a dozen, two dozen, something in that order of magnitude.

No, I cannot say that we do have a way of telling you how much each one of these countries have. Unless they have declared it, and you believe that declaration under some convention or agreement, but it is easy to hide.

DEMOCRACY IN THE MUSLIM WORLD

Mr. Kennedy. Could you describe for us in the post-war environment the policy of kind of a garden of democracy in a sea of discord and totalitarianism?

And how do we see the post-Iraq world, post-Saddam world, contributing to peace in the Middle East--showing our Western values, if you will, and showing that, you know, Islam and the Western values of democracy and freedom do not have to be incompatible?

Secretary Powell. I think you make an important point, Mr. Kennedy. We do not believe they are incompatible. Why shouldn't people in the Arab world or people in the Muslim world live under democracy? The second-largest Muslim nation in the world is India, also the largest Hindu nation. They have been a functioning democracy for 50-odd years. There is nothing incompatible with democracy and political system and religion and faith.

If you took a country, like Iraq, that has no democratic experience and put in place a functioning representative system--let me call it that, rather than think it is American-Jeffersonian democracy--but some system where the people determine who will govern them and can vote those people out of office if they do not like them and vote new ones in. That is what we are looking for--responsible leadership that cannot thwart or take over or defeat the will of the people. That is what we are looking for.

If such a nation is living in a non-threatening way with its neighbors, particularly in a troubled area like the Persian Gulf-Middle East area, I think that is a powerful example. It is not the imposition of an American system or western values. It is taking a concept of politics, democracy and saying to them, ``Why shouldn't you be able to choose your leaders? Demand it. Expect it. Hold your leaders to account.'' This in no way violates anybody's faith.

NORTH KOREA, IRAN AND NUCLEAR WEAPONS

Mr. Kennedy. Finally, Mr. Secretary, I am often asked the following question, and I have been supportive of the war and supported the resolutions that we passed in this Congress to provide the President the authority, which ultimately led to 1441, and I believe in retrospect it was the right vote because of that opportunity.

When people ask about North Korea and when they ask about Iran having possibility of manufacturing nuclear weapons and what our policy is going to be in those other axis of evil countries, could you describe for us how our policy is going to jell toward those two threats?

Secretary Powell. I usually get the question, Mr. Kennedy---

Mr. Kennedy. I am sure all the time.

Secretary Powell [continuing]. Probably like you get. If we are doing this in Iraq, why aren't we doing the same thing in North Korea or Iran?

The answer is that, not one size fits all. The President has a full range of tools available to him to deal with these problems. In the case of Iraq, we had 12 years of failed resolution after resolution, and it finally was brought to a head. Iraq has an established history of using these weapons against its neighbors and invading its neighbors.

Mr. Kennedy. Right.

Secretary Powell. With respect to a country, such as North Korea, we are just as concerned about the proliferation of nuclear technology in North Korea and how it might spread outside of North Korea. But in this we are joined by powerful friends and regional partners. The Chinese leadership has stood up candidly and forcefully, and said: We do not support a nuclearized North Korea or a nuclearized Korean Peninsula. That is their biggest friend and neighbor in the region. Japan has said the same thing; South Korea, Russia. We have partners to work with that are all united with us in not having a nuclearized peninsula.

That is powerful diplomatic and political currency in our bank that we can use. We do not have to start talking about invasion. We never take any option off the table. But I am still confident that a diplomatic solution can be found, and we are fully engaged on that effort as recently as an hour and a half ago. So we are working hard.

U.S. TROOPS IN SOUTH KOREA

Mr. Kennedy. How far are we from withdrawing our troops in South Korea?

Secretary Powell. Oh, we do not want to do that. We have been a source of stability for that part of Asia for many years. That is not to say we should not look at the numbers of such troops and how they are disposed within South Korea and the region. We have begun discussions with our South Korean friends. We have to do it in total coordination and in transparency with our South Korean allies before we make these kinds of adjustments. We have reassured them that that is what we would do.

In Iran, that is yet another situation that is somewhat different. There is a lot of turmoil there. They have secularists fighting the presidency. We are appealing to the Iranian people to place a demand on the political system, to stop putting their treasure into weapons of massdestruction and to start providing a better life for this young Iranian population that wants to participate in the economic activity of the world, not just the economic activity within Iran, which is not adequate to the needs of this young population.

Mr. Kennedy. Thank you, Mr. Secretary. Mr. Wolf. Thank you, Mr. Kennedy. Mr. Vitter.

U.N. ROLE IN POST-WAR IRAQ

Mr. Vitter. Thank you, Mr. Chairman.

By the way, Mr. Chairman, I am half German by background, too. The problem is that is the good news, because the other half is French. [Laughter.]

Thank you, Mr. Secretary, for being here and for all your leadership. And I want to salute that leadership, particularly over the last six months, I really do appreciate it.

We are all focused and praying for our troops as they win the war, but we are also beginning to focus on winning the peace. And I wanted to ask you a few questions with that in mind.

I am concerned, quite frankly, by some statements I have heard out of the government suggesting that we are going to basically rush as soon as the war is over to get the U.N. and other members of the United Nations who have been particularly unhelpful in the middle of the postwar Iraq situation. And I am concerned about that not because I think we need to do otherwise to punish them, but because I think they have proven over the last several months that at best they do not get it, in terms of what will truly bring peace and stability to Iraq; and, at worse, I think some of them would continue to want to see us fail in the peace process after we have won the war.

Can you respond to those concerns?

Secretary Powell. Yes, sir. I think there is a role for the United Nations. I think that we do need an international chapeau over this effort. But in my conversations with U.N. officials and my conversation with Kofi Annan, there is no desire so far on the part of the U.N. to become essentially the owner of Iraq.

They want to work with us. They want to help us. We want to put in place appropriate authorities. But we understand our responsibility to help the people of Iraq move quickly to a new governing arrangement and to work with the interim authority that we will create in Iraq and stand it up ultimately to be the government of a new Iraq.

The U.N. has a role to play. Let me give you an example of why the U.N. has a role to play. If we want to get help from other nations, and we ask these nations to get funds from their parliaments or their legislatures, it makes it a lot easier for them to get those funds and to contribute those funds through the reconstruction, redevelopment effort if it has an international standing, if I can put it that way, as opposed to just giving money to give to the Americans. That will not work.

There are a number of advantages to having a U.N. role in this effort. But believe me, sir, I fully understand the point you are making that we did not take on this huge burden with our coalition partners not to be able to have significant, dominating control over how it unfolds in the future.

Mr. Vitter. Let me ask it another way, and I think I understand what you are saying, but I want to nail it down.

Can you assure us that, in fact, the coalition led by us that will win this war will remain the center of gravity in post-war Iraq until the Iraqis are able to truly be on their own. And while groups like the U.N. may be involved, they will not be that center of gravity.

Secretary Powell. I think that is an accurate statement. We would want to go from a military-oriented center of gravity rapidly to a civilian-oriented center of gravity. Then the center of gravity will shift to the Iraqis, who are governing themselves and starting to demonstrate their capacity to govern. We will be there for as long as it is necessary until they are stable.

The worst thing we could do is essentially say, `` Well, we finished this and we are going to leave time certain.'' And whatever is there is there. I think we would take on a greater obligation, and that is to make sure there is a functioning Iraqi government that is supported by the coalition--the center of gravity remaining with the coalition, military and civilian--that is great utility in having the U.N. play a role. Now, the exact nature of that role and what we will be asking for in the resolutions that will be coming before the council remains to be determined.

The President will have good conversations this evening with Prime Minister Blair on the subject. I will be meeting with Foreign Secretary Straw tonight. Then we will all be at Camp David tomorrow for a more extended conversation on the subject. I met with my Spanish colleague, Prime Minister Palacio, last night on the subject. There is a great deal of conversation taking place. Dr. Rice met with Kofi Annan yesterday. I had a couple of conversations with him on the phone. We are hard at work on this issue.

FUTURE U.N. RESOLUTIONS AND IRAQ

Mr. Vitter. All right. Well, you mentioned something that is closely related, which is any future U.N. resolutions and what they are about. It seems to me it is one thing for there to be a future U.N. resolution about a role for the U.N., particularly humanitarian. But it would be another thing for the U.N. resolution to lay out some road map for post-war Iraq in such a way that it would basically grab that decision-making and control from the coalition that got us there to the very group that refused to face reality.

Can you give us some assurance that whatever U.N. resolutions are in the future will not do that?

Secretary Powell. I do not even see a possibility of that

right now. There may be some that think it should go that far, but we would not support an effort as precise as the one you described. You are essentially handing everything over to the U.N. for someone designated by the U.N. to suddenly become in charge of this whole operation.

Mr. Vitter. And, quite frankly, even if it does not do that that explicitly, I would be concerned about a resolution that is so broad about the progression of post-war Iraq that it suggests that sort of center of gravity moving to the U.N.

Secretary Powell. I would too, sir.

RUSSIAN SUPPLIES TO IRAQ

Mr. Vitter. Okay, thank you.

I am specifically very concerned, as I know the administration is, about the idea, the accusation that the Russians are allowing Russian companies to supply the Saddam Hussein regime with capability and technology that is being used directly against us.

What is being done beyond words to make it clear that that is completely unacceptable?

Secretary Powell. As I mentioned earlier, we have for anumber of months been making this case to the Russians. Within the last few days. Since the conflict started, we have had even more direct evidence of the presence of such equipment. We have been on the phone constantly with the Russians. Not just on the phone to chat about it, but to give them the information that we believe can be taken to the source of this.

In my conversation with Prime Minister Ivanov earlier today, he thanked me for the information I provided. They are following-up with their intelligence and other services to get to the bottom of it. I believe we have given them pretty good information, and I hope they will find what I think they will find.

Mr. Vitter. And if they do not change their position based on that opportunity----

Secretary Powell. That would be a problem in our relationship, and they understand that.

Mr. Vitter. And, again, if they do not change their position or their actions under that circumstance, which hopefully will not develop, but under that circumstance, why should they have any role in the future of Iraq?

Secretary Powell. It will definitely be a great hindrance. It would be very hard to explain that with knowledge of this kind of product in the hands of the Iraqis--that they did not know about it before but they know about it now, and they have not acted on it--it seems to me that would be a major difficulty in our relationship, and it would affect the future of Iraq as well.

Mr. Vitter. I took the White House statement to mean that significant people in the Russian government did know about it. What is your understanding of the facts?

Secretary Powell. Some senior people in the Russian government were aware of our concerns, and we did not say it was the Russian government doing it. We believe they were private companies, and we thought we had given them sufficient information to ascertain the correctness of our information. Their inquiries have not turned up the same information; they did not agree with us. But when the war began, and we got more information of higher fidelity, I arranged to have that information treated in a way, then changed in a way that we could make it available to the Russians.

My ambassador, Sandy Vershbow, presented it to the Russians yesterday morning, and I talked to Mr. Ivanov yesterday and again today about how to use that information and he is following up.

NORTH KOREA AND U.S. RELATIONS

Mr. Vitter. Okay, thank you.

Final, quick question about North Korea, another obvious area of concern. One thing I found sort of amazing in the whole debate about North Korea is the very same people at the U.N. and elsewhere who have blasted us as ``Unilateralists'' are basically demanding that we be unilateralists with North Korea.

I mean, has this irony been pointed out to them? Secretary Powell. Yes. [Laughter.]

No, I find it, not only an irony, but I find it, to be blunt, Mr. Vitter, terribly annoying. When I am constantly being accused of being unilateralist, or my administration, President Bush and all of us are accused of being unilateralist, and when we try to expand this particular problem into a multilateral setting, we are criticized.

We are criticized for not immediately reaching out and talking to the North Koreans, and consummating another deal like the last deal which got us into this problem in the first place.

I just read a report of a commission of very distinguished Americans who know Korea, well, just lambasting us because we have not entered into direct discussions.

But the last direct discussions gave us the Agreed Framework, and the Agreed Framework succeeded in capping Yongbyon for eight years so that no more weapons or weaponsgrade plutonium came out of it. But it just capped it, it did not remove it.

Meanwhile, as soon as the documents were signed and agreed to, and before the ink was dry, the North Koreans started developing nuclear weapons technology, enriched uranium.

There were fatal flaws in that agreement, and at the same time I give credit to the previous administration for having capped it for eight years.

But when we discovered this other technology and said, ``Hey, wait a minute fellas, this is not what the Agreed Framework was all about, and all of the other obligations--the North-South Agreement with the South Koreans that there would not be nuclear developments on the peninsula, and all of your other international obligations--that we are not going to turn away from this,'' and we called them on it; They said, ``You got us, we are doing it. So what?''

They said, ``Now let's have a nice bilateral dialogue to talk about it.'' And we said, ``thank you very much, no. This is now a problem not just between you and the United States, it is between you and your neighbors and the international community, so we will have to find a way to broaden this out.'' In broadening it out we will find a solution that deals with the problem, and we also recognize that the authorities in Pyongyang are uneasy. They believe that we mean them no good.

We have tried to make it clear to them that we have no invasion plans for North Korea. They want a security agreement. That is why they decided they have to keep developing these kinds of weapons.

There is a solution set, and we are hard at work finding a way to that solution set, and I am still confident we can do it diplomatically and peacefully using diplomatic and political means, and using the nations in the region that have an interest.

I specifically want to highlight Japan and South Korea and Russia, but especially China, which is one of the greatest supporters in North Korea in terms of economic aid, in terms of energy assistance. China has made it absolutely clear, over and over, that it does not support nuclearization of the Korean Peninsula, and that is a very strong statement on the part of the Chinese leadership.

We are working with all of our partners in the region to do this on a multilateral basis and solve this once and for all.

Mr. Vitter. What progress, specifically, has been made with the anti-unilateralists for them to drop the unilateralist demand on this issue?

Secretary Powell. Not much. They keep pounding away on it, and we keep saying that we understand the argument you are making, but we are not going to go down that road.

We have to expand this beyond just North Korea and the United States. The Agreed Framework was done without an enormous consultation with our friends in South Korea and other nations in the region.

This one has to be done in the strongest possible consultation with our friends in the region, and we will find a way to expand this beyond the two and to move on.

Mr. Vitter. Thank you, Mr. Secretary. Thank you, Mr. Chairman.

Mr. Wolf. Mr. Sweeney.

RUSSIAN AND FRENCH TECHNOLOGY TO IRAQ

Mr. Sweeney. Thank you, Mr. Chairman. Welcome, Mr. Secretary. Let me join my colleagues in first thanking you for your service to the country, both past and present.

And in the immediate present your work on relieving the world of famine and starvation and your work on combating AIDS and this administration's really unprecedented, historic commitment to combat African AIDS. I think it speaks volumes about what America is all about and what you bring to the table as secretary of state.

I am one who supported your efforts in the United Nations and applaud your great victory, for lack of a better term, in securing a unanimous vote on 1441. And I support the administration's policy in terms of the use of military intervention in Iraq.

In that context, and not to be one, as Chairman Wolf pointed out, not to be one who wants to develop policies that simply seek retribution for our disappointments in other places and not to overstate the case that Mr. Vitter just made, in an attempt to, more than anything else, emphasize the American interest at play, I would like to ask you, would it not have great impact and effect on your thinking in terms of post-war Iraq and the United Nations involvement; and, more specifically, nations within the United Nations or on the Security Council who may at some subsequent point be found to have been in violation of resolutions in terms of their providing technologies, be they through their governments or through private corporations or companies, especially in light of the work that you are doing with the Russian government in pointing out their problems and their potential involvement in such activity.

Would that not have a very significant impact, a detrimental impact, in terms of their involvement in making any decisions on post-war Iraq?

Secretary Powell. Yes, because in fact if these kinds of transfers were taking place with the knowledge and support of the government or from government organizations, it would be in violation of the very sanctions that the Security Council put in place. It seems to me that would affect attitudes with respect to post-war activities.

Mr. Sweeney. And, for example, if we were to find out, as some suspect and are concerned about, that the French government continued to be involved, either through private corporations or through the government, in the proliferation of technologies that could be used?

Secretary Powell. It would be violative of their obligations under the sanctions, and I think it should be taken into account.

SUPPORT FOR TURKEY

Mr. Sweeney. In that vein, I am one who recognizes the strategic importance of Turkey, and even some of the contributions that I suspect they have been able to provide us in this current undertaking. A concern that many members have as it relates to the \$255 million you asked for in your budget for support for Turkey, or the \$1 billion request for funds to remain available for grants in Turkey. And I think it is reflective of a lot of our constituents and some things that are being said in America.

Could you assess what additional costs, expenses will the coalition incur by virtue of our inability to use Turkey to establish a stronger presence in the north of Iraq? And essentially what I am asking is could we quantify that?

Secretary Powell. I could not, Mr. Sweeney. Perhaps my colleagues at the Pentagon could, but I think it would be a hard calculation to make.

We now are moving forces that might have gone across Turkey down and around, which is an added expense. But they will also land at a port now as opposed to having to traverse all of Turkey. They will be used in a different way. I do not know if those costs would wash out or balance out. But I think it is a question you need to put to the Department of Defense. Mr. Sweeney. How concerned are you with the political climate in Turkey at this point?

I heard your earlier statement. It seems to me we are putting a lot of trust in one individual or his administration. And given the significant Muslim population and the concerns that they have, generally.

In a post-war Iraq, I presume you believe Turkey will be a more stable place, both economically and politically. My question is, how stable are they today?

Secretary Powell. I think they will be living in a more stable neighborhood after Iraq. I think they are stable at the moment. They are having some economic difficulties as this issue has rolled around over the last couple of months, and we are sensitive to that.

I have met with Mr. Erdogan twice now, the new prime minister. I have spoken to him on the phone regularly, three times, I think, in the last week. I stay in very close touch with my foreign minister colleague, who used to be the prime minister, Mr. Gul.

They are a new government. It will take them some time to get their sea legs, so to speak, and get some experience in governing. There has been a shift to a political leadership, a party that has an Islamic orientation to it, more so than previous parties.

But I sense from my conversations with Prime Minister Erdogan and Prime Minister Gul that they understand the importance of the relationship they have with the United States. They understand that we are all allies in NATO; that we have a unique strategic partnership between the United States and Turkey. I see no reason to believe that they will not work as hard as we will to make that partnership strong.

ROLE OF THE U.N.

Mr. Sweeney. Well, we have had that strategic alliance for many years and it has been used, I think, as great leverage for the government of Turkey. We cannot get the government of Turkey to recognize and acknowledge past acts as it relates to Armenian genocide and things because we are afraid of the fragile nature. So for some of us this is a little bit much to swallow.

Let me ask you a question about the United Nations. And I am one who fluctuates back and forth in terms of its vitality.

And, frankly, you have great influence, both with myself and I think with all of America in not just throwing our hands up in disgust and walking away.

Considering the recent past history but what do we do with a body that is going to have the government of Iraq sitting as the chair in the U.N. conference on disarmament and has Libya sitting overseeing human rights issues and concerns?

What do we do with that entity, and how do we develop any confidence that that body can serve a useful role? I am interested in your thoughts.

Because, structurally, it seems to me this is beyond the political concerns of any individual nation, this is deeper than that.

Secretary Powell. Let me just stick with Iraq. Iraq saw the wisdom of not taking its seat in the rotation.

The United Nations is an organization of 191 nations now, and with 191 nations you get every flavor, and it is five times Old Howard Johnson's. More than five times Old Howard Johnson's. You get every imaginable point of view.

Mr. Sweeney. A lot less palatable at times, too.

Secretary Powell. But, nevertheless, they are all nations with points of view and different political perspectives and different political systems.

The United Nations was created to bring all of us together and see if in this grand body of nations problemscould be solved and issues could be dealt with that could not be dealt with without such an organization.

And in my many years or government service, as Chairman of the Joint Chiefs of Staff, now Secretary of State, as National Security Adviser, I have seen the United Nations solve a lot of thorny, difficult problems. It was not always clean; it was not always neat.

My good friend Kofi Annan, you know, has to get consensus out of this organization. But I saw them bring a cease-fire to the Iran-Iraq War. I saw them deal with East Timor. I saw them deal with Cambodia.

I saw how helpful they could be in the first Gulf War with respect to the support we got for what we are doing. The U.N. resolution that supported the first Gulf War.

I saw 1441 in this current crisis. But we should not think that they are just going to sit around waiting for the United States to tell them what we want them to do.

They are sovereign nations that bring 191 sovereign opinions to the table. Some of them outrageous, some of them drive me, you know, to distraction or despair, in want of a more colorful word.

To think that Libya is sitting as the chair of the Human Rights Commission this session is appalling. But we are back on the Human Rights Commission, and we will work as hard as we can to make sure that the rights of human beings around the world are looked after by that commission, sometimes with success, sometimes without success.

But when you have that kind of body, there has to be some kind of rotational scheme so every region has an opportunity, and every nation ultimately has an opportunity to sit in the chair.

But it is distasteful, and we tried to see if there was a way to keep Libya from occupying that chair. But the caucus that it belongs to was not willing to do that. We expressed our displeasure, we called for an open vote, and Libya prevailed in that vote.

We do not like it, and we express concern. We say, this is absurd to have such a nation in the chair. But it is one of the costs that come with a complex body of 191 nations.

FOREIGN MILITARY FINANCING AND SUPPLEMENTAL REQUEST

Mr. Sweeney. There is a recognition, I think, in particular given the coverage in the last week with the war in Iraq that there is a great void, you know. We are going to try to good

things in the world with a balance between strength and forms of political diplomacy, as Chairman Wolf pointed out.

And what I think America has come to know is that in the Arab world in particular there is a tremendous void now, and so what I would say is--I am going to ask a question but also make a statement, and say that as much as we can encourage expansions of the Voice of America--and I note this conference, given all the concern about Turkey, the conferees last year decided to station our Voice of America capacities in Turkey.

Another benefit to that government and its folks, but as much as we can get our messages out and present that perspective we will need to do that.

The president's supplemental request includes a little over \$2 billion for foreign military financing. I would like an assessment from you on our allies and their current military capability, how effective they are, and I know we are going to have specific attention paid to the supplemental, but I would like to get your sense of our allies' military capabilities and----

Secretary Powell. Did you have particular ones in mind? Mr. Sweeney. Well, actually, yes, in the supplemental: Where is it going, who is it for, what is its role?

Secretary Powell. If I may, Mr. Sweeney, I need to give you an individual breakdown by country, and in that breakdown, for the record, I will give you an assessment of their current state of need.

Mr. Sweeney. That would be great. The overriding sense is that we and the Brits are kind of it, and I am trying to get into that.

Secretary Powell. No, I mean, we have overwhelming military power. There is no nation on the face of the Earth that can match ours. I think that is good. I think that is good for peace. I think that is good for security in the world.

The British are exceptionally competent. They are a First World force. There are others: Australia, France, Germany and others. There are others that have forces that are nowhere near the capability or size of ours, but would not be considered basket cases either.

But nobody invests in their security and their military force the way we do; a possible exception being Israel, in its own unique way. We should keep it that way and make that investment.

Mr. Sweeney. I have some other questions I will work with your folks on. I will make this final statement that--as it relates to the Indian, Colombian counter-drug initiatives, I am fully supportive. And while we have focus in a lot of other places, we cannot lose focus there as well.

Secretary Powell. Thank you, Mr. Sweeney. Mr. Sweeney. Thank you, Secretary. Thank you, Mr. Chairman. Mr. Wolf. Mr. Kirk.

IRAQI NATIONAL CONGRESS

Mr. Kirk. Mr. Secretary, thank you, applaud your courageous stand on aid to France. I think you are drawing a line in the brie here.

I also want to thank your troops. We should be rightfully proud of men and women in uniform. But foreign service officers serving in very dangerous places need to be thanked as well. In many ways, facing a more hidden danger.

I want to raise the issue of the Iraqi opposition. We have approximately \$8 million available in economic support funds for the Iraqi National Congress that is now located in Northern Iraq. I just talked to their leadership this morning who said that they are out of money, cannot pay the satellite phone bill and are in desperate need of a SOMS-B, two Humvee, AM/FM/TV printing facility that would allow them to get the opposition message out from Northern Iraq.

I understand that Secretary Armitage is holding up assistance for the Iraqi opposition. Does not make a lot of sense.

Can you tell me what your thinking is on that?

Secretary Powell. I am not aware of the specifics, but I am heading back to the department now, and I will ask Deputy Secretary Armitage about it right away.

GERMAN SALES TO IRAQ

Mr. Kirk. Yes, thank you very much.

Just to echo other concerns, Dr. Christine Gosden, of the Liverpool medical establishment, talked about a massive purchase of silica particles five weeks ago from Germany, silica particles being the essential ingredient in the dusty VX that the Iraqis have pioneered. And so we are just veryworried about continued commercial relations between Germany and Iraq, especially for silica particles supporting the dusty VX program. So I just want to raise that concern with you.

Secretary Powell. I have not heard about it; I will look at it. But I am sure that in the near future when this conflict is over, it is probably an order that is going to be canceled if it exists.

NORTH KOREAN REFUGEES

Mr. Kirk. That is very good news.

On the North Korea situation--talked before about the plight of refugees--200,000 refugees in Manchuria. I have talked about what I would call a 90-5-5 solution: 90 percent of refugees processed in northern China and going to South Korea, 5 percent going to their relatives in Europe, 5 percent coming to North America. When you talk to the Chinese local officials, Manchurian governors and city officials, they love that idea because it takes the refugee situation off their hands.

It seems like we could work Beijing from both sides: Local officials saying, ``We want to take these refugees off your hands and bring them to freedom, mainly in South Korea.'' And obviously, our wishes and needs to help out. Wondering, what is your current thinking on the North Korean refugee problem as it exists in northern China?

Secretary Powell. It is a real problem and a growing problem. We have been looking for creative solutions that would sell in the region. This is one that I would like to take a harder look at and pursue with our Chinese colleagues.

MACHINE READABLE VISA FEES AND BIOMETRICS

Mr. Kirk. Yes, if you talk to Yanbian Autonomous Province, 2 million ethnic Korean speakers in China there, they would love to have these refugees off their hands. And they will say, ``Foreign ministry, Beijing is overruling us.''

And I think this could be a win-win where we establish a small UNHC office. And maybe the international community could promise, ``Hey, within two weeks of the refugee registering with us, they are out of there and in freedom in South Korea, et cetera.''

We charge to gain entry into the United States, the MRV fees. It was a substantial income source to the State Department. And after September 11th, of course, we shut down the processing. Do you have a sense of what that has done to your budget? It used to be a big boon to the State Department; now really declining. Obviously, when international travel resumes it will be a boost again. How has that whipsawed your own budget?

Secretary Powell. It has had an effect, obviously. It is a user fee that we use to fund the whole program. It goes up and down in accordance with the demand. It dropped after 9/11 significantly, and then it started to come back. I think the current crisis has dampened travel for any purpose. So it will effect our revenues again.

But at the same time, there is also a decrease in demand for the service. There is an offsetting element to it as well.

But I would have to give you for the record what the fund flow actually has been over the last--shall we say?--year and a half.

Mr. Kirk. I know we have a unique strain right now because we were making a lot of money off this that was helping the department. And every American is very reassured that you are bringing the retinal scan on board so that someone has that picture of the back of their eyeball before entering the United States. That is very promising technology; the MRV program was helping to pay for that.

Secretary Powell. Paid for it, yes, right.

PEACEKEEPING IN IRAQ

Mr. Kirk. And now we have had low travel. So we want to make sure that that retinal scan program stays on track.

Last thing: One long-term issue, to follow up on my colleague from New York, we talk about problems with the U.N. I am very pro-U.N. I think the moment we have victory in Iraq there will be a great pressure to bring Americans home. Having them quickly replaced with peacekeepers from other countries I think is a very laudable goal, even if it is German and French peacekeepers.

And so I sense that the pressure on you is going to whipsaw. Right now it is everything anti-French. The moment we win, we are going to want to bring these folks home and replacing them with French troops would be a good thing.

Secretary Powell. We have always left ourselves open to the possibility that, depending on how long one needs a

peacekeeping or stabilization presence in Iraq, will clearly lead to the desire to bring others into the game. It is not just the United States armed forces.

The last thing we want to do is leave our Army there for some indefinite period of time where they are not honing their skills, they are not doing anything but standing around.

To the extent that other nations can contribute to that, and as long as they are committed to the goals that we have and the objectives for the purpose of the conflict in the first place, then one should consider other contributions. Now, whether they would be French and Germans remains another issue.

Mr. Kirk. Well, you formed a coalition of the willing. Hopefully we will have peacekeeping of the willing. But each one of those foreign peacekeepers coming in will be replacing one of our soldiers and that will be bringing them home and that is a good thing.

We performed a number of small groups in the United Nations, small island states, G-77. Just one long-term issue to throw out there: Boy would it be great to see the United States forming a democracy caucus in the United Nations so that we always gather together only governments which are responsible to the elected representatives and meet regularly. And we have all these other subgroups. I think that would give enhanced legitimacy to our viewpoint.

It certainly would not solve the French problem, because they are a democracy, but having the U.S. lead a subgroup of democracies in the U.N. may give a real impetus to our message and what we are doing. And democracies certainly do seem to see a lot of issues in the same way.

Secretary Powell. That is very interesting. Mr. Kirk. Right, same idea. Thank you, Mr. Chairman.

Concluding Remarks of Chairman Wolf

Mr. Wolf. I thank you, Mr. Kirk.

Mr. Secretary, we are going to, kind of bring this to a close. There was a briefing that started at 4 o'clock on the floor with Secretary Rumsfeld.

In closing, just to make a couple of comments, I agree with what Mr. Kirk said, and on that idea, also, with regard to the U.N., the U.N. does a lot of good things. The World Food Programme, UNICEF, WHO. But maybe you ought to get some of the best minds together, the people that are supportive of the U.N.

Every organization after a period of time has to be reformed. No organization cannot. And maybe you might want to get some of the better minds together to come up with ideas, thinkers from all over the world, on what should the U.N. be like. Because this last couple of months was very difficult and maybe what Mr. Kirk said may not be a bad idea.

We need the U.N. If it was not for the World Food Programme, the number of people dying would be unbelievable. But I think every organization can be reformed. And no one reaches the pinnacle of perfection and stays there.

The other thing I want to just, kind of, comment on is this issue of Korea. I think we ought to consider sending someone to Korea, not to talk about nuclear weapons, but to talk about some of these humanitarian issues, the issues that Mr. Kirk speaks about with the refugees. There are brutal camps where people are in basically gulags, like Perm Camp 35.

And I think you could send a humanitarian, not to discuss nuclear issues, but to discuss the issues of food monitoring. Does the food get to the people? Is all the food going to the army? What is taking place with regard to the refugees? And that would almost be a confidence-building measure that does not get into the nuclear weapons, but it begins the confidencebuilding.

And quite frankly on the issue of refugees, it is very painful when you listen to the German doctor who came back and talked about it.

So I think these are issues on which the world would want to be engaged. We would. And I would send someone anywhere to talk about human rights, religious freedom, persecution, hunger and starvation. And I think you could almost bridge the gap of those who say, ``Unilateral,'' those who say, ``Bilateral,'' those who say, ``Send somebody,'' to send someone to focus on the humanitarian and the food and the refugee issue as a confidence-building measure, which may very well could possibly spill over.

On the issue of the U.N. Human Rights Commission too, I hope you will call--Kofi Annan on that special envoy for hunger. Let them be based with Jim Morrison's operation in Rome. He or she could travel the world; frankly, you could put in CatherineBertini--who did a beautiful, wonderful job as head of the World Food Programme, to go out back and, only for a year, reporting to him, similar to the AIDS person does, to go to some of the nations who may very well be interested in helping him, but maybe they have not been asked. It is like in politics: If you are not asked, sometimes you do not help.

And if you can raise that issue and also raise the issue of that special rapporteur for Sudan, if you would personally commit to staying engaged on bringing peace. Two million people have died, mainly Christians. Osama bin Laden lived in Sudan from 1991 to 1996.

I believe what the Bush administration is doing may very well be bringing us very close. There has been tremendous suffering. I have been in southern Sudan four different times, tremendous suffering. Two generations have been lost.

Quite frankly, I think if we are able to have this peace agreement signed, I think you ought to do it at the State Department or have it at the White House lawn.

And quite frankly, I think if this works, I think President Bush, you, Senator Danforth, Kansteiner ought to be, quite frankly, nominated for the Nobel Peace Prize. I think this would be an unbelievable peace to end the suffering and the agony and the pain that has gone on to those people in the south.

So I know you have other things on your mind, but Osama bin Laden started here. Terrorism started here. The people that killed Aidid got weapons out of here. They went back in. The people that tried to kill President Mubarak left Sudan and went into Egypt.

But your personal involvement in doing this, to bring this-because we may very well be close--would be very, very

important.

I do not know that we can go above what the administration asked for. I guess we always could. I do not think you are asking enough on the embassy. I can assure you almost that you are not.

And with all the effort, the loss of life and everything else that has gone into this, you want to have the men and woman that can fill in the gap once the time will come.

In closing--and we welcome you here as a constituent. Since the lines were changed, I now represent your area. I do not know who you voted for; I do not really care. [Laughter.]

But I am glad to have you there. Although it was my effort that widened the G.W. Parkway that gets you in to work. And it was my effort to add that new lane on the T.R. Bridge so you can sleep in 10 to 15 minutes later----

[Laughter.]

Mr. Serrano. He voted for you, Mr. Chairman.

Secretary Powell. Mr. Serrano still claims me, though, Mr. Chairman. [Laughter.]

Mr. Serrano. Oh, I still claim him. He voted for you. We had a long talk and I convinced him that you were the right candidate. [Laughter.]

Mr. Wolf. I want to end by just making a personal comment. One, I appreciate your service. And, you know, I support what President Bush and what our administration is doing. I think the cause is just, I think, to bring about peace and democracy. And I think we should be using the word. It may not be a democracy to the way that we would like it, but democracy in Iraq.

I also want to go on record supporting the troops. When you watch it, you are very proud. And the families. We appreciate Great Britain because I think Tony Blair is modeling himself after Winston Churchill. And I think future generations will think that he has done the right thing.

I guess one last word I would say is, as we go about liberating Iraq, and the cause is just, there is a passage in Luke about ``He who humbles himself will be exalted and he who exalts himself will be humbled.'' And so I think with an element of humility, though, as we go about doing this, I think will be the right approach.

And so with that, I just thank you for your service and for the service of the men and women at the Department. And with that, the hearing is adjourned.

Secretary Powell. Thank you, Mr. Chairman. Thank you, Mr. Serrano.

Thursday, April 3, 2003.

THE STATE DEPARTMENT

WITNESSES

RICHARD ARMITAGE, DEPUTY SECRETARY OF STATE GRANT S. GREEN, JR., UNDER SECRETARY OF STATE FOR MANAGEMENT

Opening Statement of Chairman Wolf

Mr. Wolf [presiding]. Good morning.

We want to welcome both of you to the hearing today, and the hearing will begin.

It is a pleasure to have before us today the Deputy Secretary of State, Richard Armitage, and the Under Secretary of State for Management, Grant Green, for their third appearance before the subcommittee. Let me just say, I personally appreciate the great cooperation that we have had from both of you and others in the State Department, and I thank you for your service not only here, but your previous service to the country.

We will hear your testimony today regarding the fiscal year 2004 budget request for the operations of the department, including the cost of improving the security of our employees overseas and other management improvement initiatives. This budget request includes funding to conclude your efforts to significantly increase staffing, both overseas and domestically.

You are seeking funding for 677 new positions. If this funding is enacted, it will represent a historic increase of almost 2,200 American employees in a three-year period. And during some pretty tight budget times, too.

In order for such an investment to pay dividends, we would hope and intend to insure--the subcommittee does--that the department is also advancing significant reforms and long overdue management improvements. We expect to hear today about the progress you have made on right-sizing our overseas presence, modernization of the department's technology infrastructure and a significant new proposal to accelerate the embassy security construction program through interagency costsharing.

I will also be asking today for your thoughts on the department's public diplomacy effort. I think this is so, so important. I think you will agree there is an urgent need for us to communicate more effectively, particularly to the Arab and Muslim world, but to the entire world, the values and the intentions and the objectives that underline our policy. What we are doing now with regard to public diplomacy clearly is not succeeding. Our policies are succeeding, but public diplomacy is not.

First, I believe we have an outstanding story to tell and at this moment in history improving our ability to tell that story deserves our immediate attention and commitment. The world is watching our actions and our comments closely and will continue to do so in the post-Saddam Iraq. We must make certain that our voice is heard clearly and convincingly.

Secondly, we must make sure not only that we are communicating effectively, but our actions are above reproach as we do that. We have to continue to hold to the highest ethical standards and, likewise, if the foreign press is reporting negative and inaccurate stories about U.S. actions, we must immediately and persuasively correct them. The nonstop sensationalist image is broadcast to the Arab world and people in Europe and around the globe by Al Jazeera are not the real story of this war.

We must let the world know that we are a decent, compassionate and caring people whose overriding concern has been to protect the people of Iraq, to liberate them from oppression and to give them the opportunity to enjoy the kind of freedom our country has shed blood for to protect for over two centuries.

Third, I believe we need to make a strong commitment to establishing a road map to bring about a lasting peace between the Israelis and the Palestinians. After we defeat Saddam, we should have a team assembled and ready to go. We should seize the opportunity to demonstrate our leadership on this thorny issue.

And I would say to both of you, there may never be a better opportunity to bring about peace in the Middle East in the Arab-Israeli issue than immediately after the defeat of Saddam Hussein. It will show that America has been willing to lead on tough issues and be successful, but America is also willing to lead on this issue of bringing about a peace in the Middle East.

There is probably nothing that we could do more that would help in the area of public diplomacy than to tell the wonderful story of America and its young men and women who are fighting so valiantly over there, but also to bring about and settle this peace with regard to what is taking place in the Middle East.

And I would hope that you would have an individual, and a team, ready to go to take advantage. It is almost like when you are surfing. The wave comes up and if you miss the wave, sometimes you just lay out there and you never get another wave. This will be an opportunity. And I think by doing that can bring about peace in the Middle East and demonstrate the goodness of our country.

I have included language in the supplemental, which will be up today, to establish an advisory body on public diplomacy. The gap between the required effective communications America needs and the uncoordinated and inadequate program we currently have is so great that I believe a body of experts, experts on the Middle East, on Islam and on public relations and communications, should review the entire field and propose the necessary changes.

I mentioned this to the secretary last week, and we would like to hear your thoughts about this. My sense is we ought to have a panel; three people from the government that are appointed by the president or the secretary, nine from outside, give them maybe 60 or 90 days--this is not a long term thing-and really come up with some creative ideas, and if that is one one track as you deal with the Arab-Israeli issue, I think there are some unbelievable opportunities.

Before I recognize Mr. Serrano, there is another issue which I wanted to raise with you, and then perhaps you may want to address it. I would like to hear your comments. It is about this issue of the sale of Global Crossing.

Global Crossing was guilty of malfeasance clearly, which I believe rivaled Enron and resulted in 10,000 employees or more losing their jobs, their health, and their life savings, including the losses to investors totaling \$54 billion. This is now under investigation by the SEC and by our government, so I am not asking you to comment on the allegedly corrupt activities of Global Crossing.

But even more disturbing is the disclosure in the press

that there is an effort underway to help overcome U.S. Defense Department resistance to its proposed sale to co-bidders--Hutchinson Whampoa Ltd., and the Singapore Technologies Telemedia.

As you know, Mr. Secretary, Hutchinson Whampoa, Ltd. is not your run-of-mill Hong Kong conglomerate. According to declassified--and we have seen classified--but according to declassified DOD intelligence reports, the billionaire ownerof Hutchinson Whampoa, Li Ka-shing, is directly and I quote, is directly connected to Beijing and willing to use his business influence to further the aims of the Chinese government.

The reason why that link is so disturbing is that Global Crossing's telecommunications clients include the U.S. military, your own State Department and other government agencies.

In addition, Global Crossing controls approximately 15 percent of the fiber optic lines connecting the U.S. with Europe, 23 percent with Asia, and 25 percent with Latin America.

They are the same communication lines used by the U.S. military and other U.S. agencies as well as NATO. You may be aware in 1996 a subsidiary of Hutchinson Port Holdings was awarded the rights to operate two ports in Panama at opposite ends of the Panama Canal; Cristobal on the Caribbean side, and the Balboa on the Pacific side.

The nexus to China is of great concern to me because China is one of the worst violators of human rights. There are now approximately 14 Catholic bishops that are in prison today, the number could be up or could be down, but roughly it is about 14, who are in prison today in China, the last one for serving Holy Communion to Congressman Chris Smith. Serving Holy Communion to an individual is not an offense that ought to get you to go to jail.

This is the same Chinese government that has persecuted thousands of Muslims in that western portion of the country. This is the same Chinese government that plundered and continues to plunder Tibet. They have 250 evangelical pastors that are in jail. China continues the crackdown on the North Korean refugees that are not only repatriated back to North Korea in direct violation of the convention, but we understand that there are bounties put on their head to hunt them down.

China has sold missiles and chemical weapons and technology to Iran, missile-related components to Syria and advanced missile and nuclear weapons technology to Pakistan, and it will be interesting to go in to look at those records to see what China has sold with regard to Saddam Hussein.

The other night when I was watching television and the missile attack on the shopping center in Kuwait, one of the reporters said that the missile had Chinese markings. So I just think for this company to be able to purchase Global Crossing would not be good when I think of the sacrifice that many of our young people are making in the Gulf.

I would like you to comment on that, and it would be my hope that the administration would not approve this sale. I am going to send a letter to the Secretary of State and also to the Attorney General and to the other members of that panel asking that this sale not be approved. With that, again, I want to thank both of you for your service and for your cooperation and for the good job I think both of you have done.

With that I recognize Mr. Serrano.

Opening Statement of Ranking Member Serrano

Mr. Serrano. Thank you, Mr. Chairman. Thank you for giving me the opportunity to once again welcome Deputy Secretary of State Richard Armitage and Undersecretary of State for Management Grant Green.

You come before this subcommittee today during a time of sadness, while our nation is at war and during a time of many challenges for our State Department. It is a time when our State Department personnel are facing many new threats in the world that often views Americans as an enemy.

It is a time when we must be particularly vigilant about the protection of our State Department personnel and the buildings where they work. With our State Department at the forefront of all that is happening in the world, you can be sure that I will work hard with Chairman Wolf to make sure that you have the resources that you need in fiscal 2004 to manage and conduct our nation's foreign policy both here and abroad.

Let me just say before we begin the hearing that you are not on the list of agencies that I give a hard time to. [Laughter.]

You do not kick immigrants out of the country for no reason at all. I would venture to say that you are not the ones most advising the administration to go into this war. That is my comment; you do not have to comment on that. In fact, for your sake and my sake, you should not comment on that. But after this is over, you will be in charge of the peace. It is interesting, someone else, another group now is really in conducting the war. But after the war is over, you will be in charge of putting in place the peace, how we are seen, how we are looked at by different countries, what we do. Those will be difficult times.

I hope that your side wins in convincing the administration that the reconstruction of Iraq and the so-called occupation will be one that involves the U.N. and involves other people in a coalition. For me, that time will be difficult.

Just to be brief but to the point, right before redistricting, I had a congressional district that had changed quite a bit in the last 10 years for the better, economically, housing, stock wise and so on. And in order to do those things that redistricting does, a good third of my district was given to another member, and I lost a few homeowners that I had and a few co-op owners that I had, and some of the folks had moved from one area to the other. All that to say that my district remains probably the poorest district in the nation, which it also was 10 years ago.

With that in mind, if you think it is difficult for me to accept the monetary--the fiscal cost of the war, you can imagine how I am going to feel when I start to see hundreds of billions of dollars in rebuilding a place that we bombed while some bombed out places right here in this country do not see a penny. Nevertheless, I support your efforts. I support the fact that you always do everything you can, your State Department, and you personally, both of you, to make us look good throughout the world. And I believe that it is your intent to bring peace and to put the peace in place.

I do have some concerns. I have concerns, as you know, about our involvement in Latin America.

I have concerns about the fact that we purposely stopped calling people narco-traffickers and started calling them narco-terrorists. And I think that that was an excuse to get involved militarily. We have advisers in Colombia. I remember when we had advisers in Vietnam, and then it became a big problem. I said that Colombia could become for us a Spanishspeaking Vietnam.

I am glad to see that certain individuals in the StateDepartment, whose fingerprints were all over the attempted coup in Venezuela, are no longer able to put fingerprints on many things. And I am appreciative of the decisions that brought it to that point.

But I am concerned about how much we carry on after this particular war.

Having said that, I repeat to you that my role here and the role of my side of the table is to make sure that you get the resources you need, to be your supporters, to be your friends, because after all you are the ones who throughout the world put forth who we are as Americans. And I know that we are much better than the way we are seen right now.

So I commend you for your work. I encourage you to keep your chin up as we face perhaps the hardest time, which will be after the war. And I stand ready to assist you in any way possible.

Mr. Wolf. Thank you, Mr. Serrano.

You may proceed how you see fit. Both of the statements will be in the record completely. And you can proceed.

Statement of Deputy Secretary Armitage

Mr. Armitage. Thank you, Mr. Chairman and Mr. Serrano, and Mr. Rogers and Mr. Kolbe, Mr. Kirk. We have been spending a bit of time together lately.

I really appreciate, Mr. Chairman, your holding this hearing today when we have a bill about to move to the floor, and you and Mr. Kolbe will both be managing sections of it. It gives us an opportunity to interact with you that we very much value.

I want to say from the beginning that this committee has set for us on the CJS side of things a very high standard. We strive--and I am talking for all of the brothers and sisters of ours who are in the Department--we strive to reach those standards. We do not always make it, but we are going to continue to strive.

I know one standard we do make, however, and that is something that was contained in the Carlucci report of a couple of years ago that became available for the incoming president and administration. That is to change the way we have done business with you all.

I think you, Mr. Chairman, and I, and Grant, and others, have had a lot of interactions. We look forward to them, and we

are better for them. We continue to do it, and do it at every level. It is not just to the Members, but to the staff, as well, because we are a lot better off when we really open up and do not view the Congress as something to be feared, but rather something to strive to work together with. I hope that that is the way you will view our efforts.

You started off, sir, talking very correctly about public diplomacy. I noticed, I looked very carefully at the comments you and some others on the committee made to Secretary Powell last week. You are right. We are not doing enough right. We have a good story. For some reason, we are not quite getting it all out.

I noticed today we got good help in getting a story out. This kind of thing, which was in The Post today, makes public diplomacy a lot easier when you see the people of Iraq reacting like that to an American serviceman, a member of the 3rd Infantry Division, right now on the outskirts of Baghdad.

Public diplomacy is something, however, that I do not believe we have done correctly, speaking more broadly than just in the Islamic world. This morning before I came, I was taking the overnight messages. We had demonstrations at 16 of our embassies, which is down from the demonstrations we have had recently.

The most violent of these demonstrations were in Australia and India.

We had one that threatened last night to get out of hand-it did not--in Mexico City.

Our problem in public diplomacy is broader than just the Islamic world. We have to do a better job, and we are striving to do a better job.

Charlotte Beers, who was the Undersecretary, came in with a lot of new ideas. But what we have to do, and which is a challenge for Secretary Powell and for Grant and for me, is to really put energy into our public diplomacy officers.

I do not think it is a secret that when we melded USIA and the State Department, I think many in USIA did not feel that this marriage was working well. The marriage of ACDA and the State Department worked a lot better, I think, and went a lot easier.

We recognize, the Secretary and I and Grant, that we have to reach out and wrap in our public diplomacy personnel to really make them part and parcel of our department.

Your comments and the \$5 million which is in the House bill for a public diplomacy panel is something the Secretary brought back with him last week and chatted with us about. We will work with you to see how we move forward on that, just as we worked with you on the Africa advisory panel recently.

All our thoughts are with the men and women of our valued armed forces as they move closer and closer to Baghdad. Our job right now in the State Department is in a supportive role to them, to help ease the problems in the rest of the world, to help solve diplomatic conundrums as they move forward and need overflight and things of that nature.

But I think it has become obvious to you and to members of the committee that our men and women are not ordained priests or priestesses of some exotic rite. They are people just like yourselves who are trying their best to live lives of significance. That being the case, we very much appreciate the unbelievably good support we have gotten from you all. And I want to thank you.

Choosing to strive for a life of significance in the Department of State is not always easy. We have lost three of our members in the past year, most recently Larry Foley in Amman.

Mr. Chairman, you were recently out in Ethiopia and Eritrea, and you know what the men and women who serve in our Department of State do, the conditions under which they serve, and some of the problems they face, particularly the one that you came back and highlighted so correctly. That is the problem of famine and disease and bad governance, which all adds together to make a very bad and explosive mixture.

You raised the issue of Global Crossing, sir, and let me just make a comment, if I may, about the CFIUS process. We have in the U.S. government a Committee on Foreign Investment in the United States. It is chaired by the Department of Treasury. The Department of State sits on this, along with the Department of Defense, the law enforcement and intelligence communities, and the Attorney General.

They review foreign purchases of U.S. corporations and companies to ascertain if there are national security problems and reasons why we would or would not go through with a particular sale.

We are not allowed to comment on this. I can tell you, however, that the CFIUS discussion has not yet risen to my level, much less the Secretary's, but it is ongoing now on this situation. I will have to stop there.

But I heard what you said about sending a letter both to the Secretary and the Attorney General, and we will, as always, answer it as best we can and when we can, sir. I will content myself in stopping there.

[The information follows:]

[GRAPHIC(S) NOT AVAILABLE IN TIFF FORMAT]

Mr. Wolf. Okay. Mr. Green----

Statement of Under Secretary Green

Mr. Green. Mr. Chairman and members of the Subcommittee, I am happy to be here with the Deputy Secretary to testify on our 2004 budget, and I will keep this very brief.

I think today our management agenda, which supports the department's infrastructure, is probably more essential than it has ever been. Not just as it supports our role on the war on terrorism, but to address a whole range of support issues that will give this country the diplomatic infrastructure that our people in the field and from other U.S. government agencies need to do their work.

Our management agenda, which was laid out by the Secretary on day one, is pretty simple. It is straightforward, and it has not changed. It is people, security, technology, facilities and the resources required to support those four pillars.

Mr. Chairman, the bottom line is that with the continued

support of the Congress, we are going to do our very best to give our people the infrastructure and the tools they need to do their job.

I might add, as the Deputy indicated, that we recognize and very much appreciate not only the support, but the interest that this subcommittee has shown for our management initiatives, most recently on the 2003 supplemental.

We look forward to working with you and the other members of the subcommittee as we address the many, many challenges facing the department as we continue to conduct diplomacy on behalf of and in support of the American people.

Thank you, sir.

FBI TRAINING AT FOREIGN SERVICE INSTITUTE

Mr. Wolf. Well, thank you both. I have a number of questions, mostly budget issues. But let me cover some policy issues.

One, the FBI is seeking to expand their language training. Would you permit the FBI to have slots at the Foreign Service Institute in Arlington? And if so, could you give us a letter agreeing that they could have some slots on a periodic basis to train some of their agents----

Mr. Green. Sure.

Mr. Wolf [continuing]. With regard to language.

Mr. Green. Absolutely. We train people from many, many agencies.

 $\ensuremath{\,\mathrm{Mr.}}$ Wolf. Okay, if you could give us that letter, that would be helpful.

Mr. Green. Certainly.
[The information follows:]

[GRAPHIC(S) NOT AVAILABLE IN TIFF FORMAT]

SPECIAL ENVOYS ON HUNGER RELIEF AND SUDAN

Mr. Wolf. Secondly, I had raised the issue with the Secretary about calling Kofi Annan with regard to a special envoy with regard to hunger. Do you know if the Secretary made that call? Did he have any results?

Mr. Armitage. I think you gave him two ``Do'' issues, Mr. Chairman.

Mr. Wolf. I was going to cover the other one.

Mr. Armitage. You gave him one on hunger and one on Sudan. He made the call to Kofi. I think he made the call on Sudan right before your hearing, and I think after it to Kofi Annan to talk about the question of an envoy on hunger.

Obviously, there is Mr. Morris in WFP, who to some extent has responsibilities here. There are individual envoys for individual issues such as Maurice Strong and the DPRK right now; he has done other issues. But I know the Secretary has had the conversation. I do not have the full answer for you.

Mr. Wolf. What about on the Sudan issue or moving Sudan from one category to the other?

Mr. Armitage. Well, the Sudan issue had to do--the call had to do with the Human Rights----

[The information follows:]

[GRAPHIC(S) NOT AVAILABLE IN TIFF FORMAT]

Mr. Wolf. Right.

Mr. Armitage [continuing]. Commission. As you know, there is a difficult problem with Libya in the chair and some other members. The secretary wanted to get to Secretary General Annan to let him know we are not letting up.

I think in a very real way the pressure that has been put on Sudan by the Human Rights Commission has led to the situation that you saw yesterday in Nairobi, where Bashir and John Garang did have a pretty good meeting, and they probably are 70 or 80 percent of the way to power-sharing and financial arrangements for a more peaceful Sudan. We are completely in sync with you.

Mr. Wolf. Now, are our people in Geneva working, then, to defeat this resolution or asking the French or Libyans to withdraw it?

Mr. Armitage. We are working to defeat it. I do not know that we have had a conversation with the French. I do not know what the status of the Libyans is. But of course we are working to defeat it. And I think the call that Secretary Powell made to Secretary General Annan sent the signal through the building about what the proper stance on this issue should be.

SUDAN CEASE-FIRE VIOLATIONS

Mr. Wolf. Another issue with regard to Sudan is the concern that the Civilian Protection and Monitoring Team, CMPT, has not been able to investigate cease-fire violations for the last two weeks because the government of Sudan has rejected their request to investigate cease-fire violations. This in itself is a major violation by the government of Sudan.

And I am hopeful, in fact, if there is a peace agreement signed, I think it ought to be either held at the State Department or held on the White House lawn. I mean, I think it is so momentous.

But the State Department has not spoken out with regard to them having that ability. Do you know the latest status of this, whether or not they have been able to investigate these cease-fire violations over the last two weeks?

Mr. Armitage. No, I do not. This is the first time this has been raised to me. I saw Walter this morning. This did not come up. It does not mean it did not happen. But I will find out immediately.

Mr. Wolf. If you could, let us know if it is accurate, and also if the State Department has spoken out publicly about it, as well as privately.

Mr. Armitage. If it is there, I am sure we have spoken up. I will give you a consistent answer as soon as I go back.

[The information follows:]

[GRAPHIC(S) NOT AVAILABLE IN TIFF FORMAT]

Mr. Wolf. Okay, are there any plans for a war crimes tribunal as a result of Iraq and what has been taking place over there the last couple of weeks? Does the administration have anything planned?

Mr. Armitage. Well, what has happened in the last couple of weeks has not added measurably to the issue. We had plenty, we felt, of war crimes material well before the initiation of these military activities.

Of course, depending on what happened to our POWs and MIAs in this conflict, that would add to the agenda. Pierre Prosper, Ambassador Prosper, who handles these issues for us, has met with interagency. We are prepared to move forward. We are going to see what the lay of the land is. But you will have noticed as we move forward, getting closer and closer to the initiation of conflict, that we became much more determinant on just who we would hold responsible.

Mr. Wolf. Right.

Mr. Armitage. After the conflict had begun, if we find that our prisoners have been mistreated by individuals, clearly they would also be candidates for war crimes.

Mr. Wolf. So who would operate the war crimes tribunal? Would it be modelled after Sierra Leone? Or would it be something different?

Mr. Armitage. I do not know what the status of that discussion with the British, who have a big equity in this, is. We are not as interested in public show trials as we are in justice----

Mr. Wolf. Right.

Mr. Armitage [continuing]. And the word will get out. I do not know that we have picked the exact model, Mr. Chairman.

USIA INTEGRATION INTO STATE DEPARTMENT

Mr. Wolf. On the elimination of the USIA, which I think has put you at a certain disadvantage, my sense is that it probably would have been better had the USIA been moved intact, if you will, into the State Department, in a sense, almost like AID, where AID--Mr. Natsios reports directly to the secretary, but the AID is intact, if you will.

INTERNATIONAL RELATIONS

I know the Committee is looking at reorganization, but you just may not have the mechanism or the structure now. Are you looking at that in the Department?

Because the message that you have is a good message. I mean, the message of America is a good message. It is the message that brought probably all of our grandparents here, and so it is a good message. It resonates.

Just go to Roman today, and Bulgaria today, and Poland today, and Czechoslovakia today. You have such a good message, but you need mechanisms to take that message not only to the Middle East, I think particularly the Middle East, but also to some of our European allies and places like that.

Should there be a reform or a change simultaneously as we

attempt to get the message out whereby the USIA structure can be reestablished under the State Department?

Mr. Armitage. I think the obvious thing to say is that everything can be improved upon, and I have already indicated that in my opening remarks.

There was, as with any organization, I think a certain amount of trauma or neuralgia, if you will, when the USIA was melded into the department.

I think, from where I sit, the better part of wisdom for us is to make sure that we make it clear to all our public diplomacy folks that they are a full member of the team. I know one of the ways we do this is on a D-Committee on which Grant and I both sit, which makes ambassadorial suggestions and appointments, at least nominations, to go to the White House, to make sure that we include head and shoulders PD officers. That is one of the ways to indicate they have a career in this outfit.

I think my initial answer would be that it is probably better to make this thing work right by making sure we embrace them and make sure they understand, to a person, that they are fully owned and appreciated by the Secretary of State.

Second, I think that--I came from the private sector most recently, and I know that it took our private sector a long time to realize there were a lot of things different in the world from 20 years ago. Our major corporations could go out and kick the tires, whether it is in Malaysia or in Europe, and just walk around with an order pad and take orders for our goods. Well, things changed, and we had to get out and compete a lot more. I think we in government generally did not really cotton to how quickly things changed in the world.

The populations in which we are most directly concerned right now, the Middle East and Islam, are populations that are by and large very young; the big youth bulges. I do not think we stumbled onto that, to the change that brought, the demographic change, until recently. Oh, yes, students of foreign policy and people who do demographics understood this, but I do not think we had translated it into our thinking on which target audiences we should really involve ourselves.

Of course, we have switched now, we are having many of our exchanges with much younger audiences and are putting a lot of emphasis on high schools. I think that is a perfect example how we came to it a little bit late. Demographers could have told us this eight, 10 years ago. As a government it is only recently, in the last two or three years, that we have kind of switched. That is something that we all have to do better on.

DIPLOMATIC READINESS INITIATIVE

Mr. Wolf. Okay. Well, I am glad. The Secretary gave me every impression that he was open to this commission concept. And I appreciate that because, although I do not believe--I do not want it to look like I think a commission is going to solve the public diplomacy problem, but I think it is--and in fairness to State, some of your people have been struggling trying to do things that I am not sure anyone really knows.

But I think to go outside and have a combination of some people inside and outside who will speak truth, if you will,

and put together some ways of telling a story.

Two budget issues, then I will recognize Mr. Serrano. Fiscal year 2004 is the third and final year of your Diplomatic Readiness Program. You are seeking roughly \$100 million for 399 new positions.

If we were to look at a typical embassy at the end of fiscal year 2004, compared to two years ago or three years ago, what improvements would an individual expect to see as a result of the initiative?

I mean, if we had gone there, somebody had gone there four years ago and went there at the end of 2004, what would that person see?

Mr. Armitage. At the end of 2004, there is still going to be a bit of a gap. We have had two, actually two and a half new developments. We have had Kabul, and we are going to have Baghdad, as you pointed out very clearly to the Secretary last week, Mr. Chairman, and we have had East Timor, with Ambassador Rees who has come aboard.

These are new staffing patterns that had not even been considered when we put together the Diplomatic Readiness Initiative. We are delighted they are here with us.

There will still be a need for more spaces. I will let Grant finish my answer, but I think I would start by saying you are able to send people from those embassies, anyone you would pick, back here to FSI and to other places for the leadership training, which was the single biggest gap Secretary Powell identified in terms of training for our people.

During their entire career officers had until they got to be DCM, if they rose to that level, they had no leadership training, and all of a sudden they were thrown in the deep end of the pool.

Secretary Powell, who spent a life going almost every other tour to some leadership school or another, saw this as a real lack.

The first thing I would say is you are able to send people to schools, and we are taking advantage of it.

Second of all, we are actually able to let some people leave post on occasion, and this was not the case. We had real difficulties with leave, et cetera, because we had no float. Grant.

Mr. Green. I might just add that the 1,158 people that were encompassed within that Diplomatic Readiness Initiative realized that those are spaces, those are additional spaces, the majority of which were required overseas.

As Rich said, what this recruiting effort--at least those 1,158 positions which we will complete in 2004--will permit us to create and fill those additional spaces, most of which were overseas, and provide this trainingfloat that the deputy alluded to, so that we can get people back here for training.

Incidentally, we have instituted a lot of mandatory training now, which was unheard of before the Secretary arrived.

It also gives us a little bit of flexibility so that we can have a cadre of people who we can pool together to react to crises, just as we are doing now in Iraq, instead of pulling people out of their existing jobs at posts or out of the bureaus here. That is what that 1,158 will do.

Now, that is often confused with the total recruiting objective. We still recruit for attrition and other things.

As Rich said, we are going to have to look at the staffing again, principally overseas, as a result of events in Iraq and Afghanistan, and I would certainly not eliminate the possibility that in 2005 we will come back with another additional requirement, for some lesser number, obviously.

We are going to have to run our overseas staffing model again to see what those requirements might be.

EMBASSY IN BAGHDAD

Mr. Wolf. Okay. Well, that pretty much--the second question we were going to ask you, last week in the testimony the secretary hinted that you would be seeking more staffing increases above and beyond those at the current level, and I wondered if you had any work force identification as to----

Mr. Armitage. I was going to say that we have an idea where we would like to be in Baghdad, for instance, for the State----

Mr. Wolf. Do you have an embassy in Baghdad? We do not have--in the old days----

Mr. Armitage. Yes, we did.

Mr. Wolf. And is it still standing?

Mr. Armitage. Well, it is standing.

Mr. Wolf. And what was the use for it during the period of time that we were not there?

 $\ensuremath{\,\mathrm{Mr}}$. Armitage. As I understand, it was fairly unused most of the time in the last 12 years.

It was not used for, as far as I know, for any particular purpose. The old embassy was on a piece of land that was purchased in 1945. I do not know the exact age of the building, but it was pretty ratty, I think, when we left it 10 or 12 years ago. No setback, none of that. We would eventually want a new embassy.

Mr. Green. It would not meet any of the requirements today.

Mr. Wolf. Would not meet any?

Mr. Green. No.

Mr. Wolf. So are your intentions--in the money, the committee, there is money for leasing.

Mr. Green. Correct.

Mr. Wolf. \$20 million, if I believe.

Mr. Green. Correct.

Mr. Wolf. Do you have some plans to, with regard to--I think you are going to be in Baghdad for a while.

Mr. Armitage. We are going to be in Baghdad for a while.

Mr. Wolf. Do you have a plan with regard to a new embassy? Mr. Armitage. Yes. Once we know what the lay of the land is, we have a rough estimate. I think it is around \$137

million, but it is in the out years.

For the embassy building, sir. The staffing plan would be about 200 Americans total, for all agencies in the embassy, of which about 71 one of them would be State positions; 16 of those would be security.

Mr. Wolf. And that is not in this year's----Mr. Armitage. No, it is not, sir.

Mr. Wolf. So if you miss this wave, you literally would

have to wait until a year from now, unless you reprogram. So are you thinking of coming up with regard to----

Mr. Green. The \$20 million, sir, would be to refurbish a hotel which--we have identified which would provide interim office capability, plus quarters for the limited number of people that we would have there initially.

Mr. Rogers. Some of those presidential palaces----

Mr. Wolf. Mr. Rogers said you can take one of the presidential palaces.

Mr. Rogers. If they are still standing.

Mr. Wolf. Well, I think you ought to let us know as we go into that, because you may have needs that, you know. Okay.

Mr. Serrano.

Mr. Serrano. Let me just follow-up on a couple of questions because I am not clear on why you would want \$20 million to, in part, renovate a hotel when you could be asking for the full amount up front and start building the embassy.

I mean, most people--you might get an argument from some of us about rebuilding Iraq, but you are not going to get an argument about building an embassy. So why would you take \$20 million to go into a hotel, go through all that trouble and then be building one? Why can't you start right away?

Mr. Armitage. Because of the requirements that were put on us, sir, by OMB when this supplemental came forward. We tried to be very alert to a possible charge that we were goldplating, et cetera. The limits for DOD were for a plan for a 30-day conflict with a six-month occupation force, and for us, the programs had to be ones that we could obligate the funds for sure by the end of the calendar year. That is why we took a very cautious approach.

Mr. Green. Sir, excuse me. This would give us a quick interim facility in a hotel while the acquisition of a site and the design of a full-blown embassy compound were done.

HIGH SCHOOL STUDENT EXCHANGES

Mr. Serrano. I understand that. But all I am saying is, those folks are going to start complaining about phase two, which is the rebuilding. The whole idea of setting up a hotel for \$20 million when you could start using that to build a new place may be a good argument.

I am just telling you that you will probably do better with everyone in both houses if you start building right away. And I am sure there are other places you can stay. I mean, our military's staying in different places and so on.

And another thing. You spoke about high schools, which was a great idea. Now is that here, overseas, or in both places.

Mr. Armitage. We are bringing exchange students here. We also send some kids over there, but we are putting a lot of emphasis on using education and cultural affairs money and bringing high school students here and immersing them to learn the lesson that the chairman was speaking of, that we are pretty open, permissive, in a positive way, in terms ofpeople who could have different views, different religions and still get along.

The fact that you can walk about 10 or 15 minutes in any direction from this office from where you are sitting now and

go into a Catholic church, a Protestant church, a temple or a mosque is pretty impressive to people. That is the lesson we want them to get.

Mr. Serrano. Well, I think it is a great idea, and I would hope you expand it also to let American youngsters know about the State Department and the role you play in our foreign policy, because too many people just have no clue what you do.

FOREIGN SERVICE EXAMS

Mr. Armitage. We are hopeful. You know, sir we have occasionally sent you letters, and you have had conversations with various of us about the way people have changed their approach to the Department of State. We had, what, 18,000 last year who took the exam; 36 percent minority. That is up 9 percent in a year, which you can argue is not enough, which is probably right, but it is pretty damn good.

The fact that we get a record number of people signing up to take the Foreign Service exam is a sign, I think, that some people want to sign up and like the way the Department of State generally is headed and what they do.

Mr. Green. We gave two exams last year. Thirty-five thousand people took the Foreign Service written exam. Thirtyfive thousand. There was about 17,000 each time. Of that number who subsequently go through oral exams and then security clearances and so on, we would bring on each year about 460. So you can see that we can really skim the cream off the top.

DEPUTY SECRETARY FOR MANAGEMENT

Mr. Serrano. Let me ask you, Under Secretary Green, the president has nominated you to be the new deputy secretary for management. In the past, there has been some reluctance to fill this position. Can you tell the subcommittee how you expect your new position to positively impact State Department management issues?

By the way, you did not write this question. [Laughter.] Mr. Green. No, I did not write that question.

Mr. Serrano. Just for the record.

Mr. Green. If you would just indulge me for a moment, this is a report card on the Secretary's first two years of stewardship put out by the Foreign Affairs Council, which is an umbrella organization that includes the American Academy of Diplomacy, our union, AFSA, the Associates of American Foreign Service Worldwide, diplomatic and consular officers retired, et cetera, et cetera, et cetera. This is going to be publicly released next week, but I would just like to read one short paragraph here.

It says, ``In his first statement upon becoming Secretary of State, Colin Powell announced, quote, I am not coming in just to be the foreign policy adviser to the President; I am coming in as leader and manager of this department.''

``True to his word, Secretary Powell assembled one of the strongest management teams in the history of the State Department, led by himself as CEO, Deputy Secretary Rich Armitage as COO, and Undersecretary of Management Grant Green.

``He also dedicated a significant proportion of his daily

schedule to leadership and management issues, and continues to do so.''

I appreciate and I understand what was attempted to be done. My name has gone forward a couple times. But having served in this job for now slightly more than two years, your effectiveness is much more affected by relationships than by title. I happen to have a 26-year relationship with the Secretary and more than 20 years with the Deputy. That is what enables us to do the kinds of things that we have been able to do in the department.

I send out every quarter an accomplishment report to the field, to every single individual. We hope every single individual gets it, which lists the accomplishments in the management area, what we are doing to make life better for our employees.

Some of them are pretty mundane, and some of them are very significant management changes. We have been successful in that because of the access that I have to both the Secretary and the Deputy, and the interest that the Secretary and the Deputy have taken and continue to take in these kinds of issues.

One thing that we do every night when the Secretary is in town--and if he is not Rich does it--we have a wrap-up. We discuss the events of the day. We tie up loose ends.

There are only four people that attend that wrap-up--the Secretary, the Deputy, the Under Secretary for Political Affairs, Mark Grossman, and myself. In addition to wrapping up daily business, it sends a very strong signal to the department that these two guys care about management. I think we have done a pretty good job, and we have done it as an Undersecretary.

MILITARY INVOLVEMENT IN COLOMBIA

Mr. Serrano. Well, I would hope that that continues. One of the concerns in the past was the lack of some of the management pieces.

Let me just take one second here to ask another question in another area, the policy area, and then I will give up my time to the rest of the committee.

I am really concerned about U.S. military involvement, as you know, in Colombia, Mr. Secretary. Originally we were providing aid to address counter-narcotic concerns, and we were given assurances that we would not become militarily involved in Colombia in a war.

I remember in the Appropriations Committee during a markup, standing up and taking a lot of people's time just to say, you know, ``We are going here in a bad direction.'' And everybody said, ``No, this is just for this. It is all it is.''

Then the administration asked us to expand the mission of the United States aid to Colombia to remove the distinction between funding for counter-narcotics and counter-terrorism. The first installment of that expanded mission was \$99 million, \$93 million in 2003 and \$6 million in the supplemental, to train and equip troops to guard the Occidental Oil pipeline.

Now in addition to the funding for Colombia included in the supplemental, there is another \$110 million in foreign military financing requested for fiscal year 2004. This funding is not just to guard the oil pipeline, but it is to guard, quote/

unquote, ``infrastructure.''

We are moving further and further down, in my opinion, the slippery slope that I have cautioned about in the past. Where do we draw the line for Colombia and military involvement?

Mr. Armitage. Mr. Serrano, I think most witnesses whocome up consider it a successful day if they escape without getting into an argument with a member. I certainly do not want to get into an argument with you, but I want to point out our view and my view on this question of whether--first of all, whether it is narco-traffickers or narcoterrorists.

I think that when the FARC loads up a night club and kills 35 people and wounds 168 that had nothing to do with prosecuting any conflict, certainly not in uniform, that is terrorism. I think when you have a brand new democratically elected president like President Uribe and the FARC fires mortars at the inauguration in a clear attempt to kill as many people as possible, including, by the way, a high-level delegation from the United States, that is probably terrorism.

Now, the direct question--or the answer to your question is as follows: Both the Byrd Amendment, which limits U.S. military presence, and the Leahy Amendment, which requires, correctly, the human rights vetting of military organizations before they can have our assistance, are essential parts of our approach to Colombia.

With President Uribe, we feel we have a guy who is serious about having a country that can move forward meaningfully in the region and not be just a haven for narco-terrorists. In order to do that, he had to do a lot of things internally, such as get a handle on the paramilitaries and try to break the grip or the nexus, if you will, between his army and those paramilitaries. He has prosecuted some of them. On occasion, they have exchanged gunfire, which seems to me a fair indication of bona fides.

He has not only asked President Bush for assistance, which the President has said we will try to provide, but he has put a one-time tax on his own folks to be able to raise money to go after his problem, which is narco-traffickers or terrorists.

Finally, he is trying to get rid of the inequities that exist in things such as the draft law in Colombia, where high school graduates were exempt from service. They have a problem; everyone has to be part of the solution.

That is what President Uribe's trying to do. We find that it is very worthy of a lot of support.

But I want to make it clear to you, sir, that as far as I know, and I think I know, there is no attempt to evade the restrictions of the Byrd Amendment or the Leahy Amendment. We embrace them.

Mr. Serrano. Let me close by saying that I think we are getting back to the old Ronald Reagan language of what constitutes terrorism. I mean, I am sure that after this war is over some people are going to accuse us of some acts that we are going to have to clean up, which I know we are not committing, but that is how some people in some parts of the world will see it.

If you call it the left--it used to be the left, and now it is just a bunch of thugs--but if the left are terrorists, then what does that make the paramilitary on the right? And what does that make the corrupt governments that they have had most of the time in the center?

So my whole point is that we really have to be careful in taking sides on issues. My problem with Colombia is I cannot tell who the good guy is, because traditionally there have been no good guys. It is all a bunch of bad guys, with a serious problem, and we are taking sides.

And so, well, you know where my concern is?

Mr. Armitage. Yes, sir, and I want to add----

Mr. Serrano. And I will continue to remind you of that concern, because, you know, we in this profession love to do one thing, we all do. We love to say, ``I told you so.''

When it comes to war and peace I want to be wrong. I want to be wrong on Colombia. I want you to say, ``You see? Nothing happened.'' I want to be wrong.

But I do not think I am wrong.

Mr. Armitage. Well, we are not in the I-told-you-so business, and neither are you. You have never done that, as far as I know since I have been up here.

There is a necessary and, I think, vibrant tension that exists between the executive and legislative branches. Our system demands it, requires it.

But I want to make a point. When we talk about Reagan language, you know, there was a lot about the Reagan Doctrine, and one of the key tenets of the Reagan Doctrine was that my enemy's enemy is not necessarily my friend, which is the point you are making about corrupt governments.

Mr. Serrano. Right.

Mr. Armitage. In order to be worthy of U.S. support they have to share some of our basic values. They have to adhere to our view of human rights and things of that nature.

I understand where you are going, but I want to make the point that we are not just blindly rushing in here. My enemy's enemy is not necessarily my friend.

With President Uribe, we think we have a guy who is serious about changing his country. If he continues that way, I think we ought to be continuing that way.

We are very disappointed with a lot of people in Europe and other places who flap their jaws about this, and then when we go to donors' conferences, et cetera, and ask them to help Colombia, on the soft side of things, they are a lot of talk and no action. All hat and no cattle.

Mr. Serrano. Thank you, gentlemen. Thank you, Mr. Chairman. Mr. Wolf. Thank you. Mr. Rogers.

MANAGEMENT AT STATE DEPARTMENT

Mr. Rogers. Good morning and welcome again. I apologize for my voice. You know my interest, and that is the functioning of the department. I have sat on this subcommittee now for 21 years, through some four, five or six secretaries and administrations, most of that time either as ranking or chairman of the subcommittee. And the one thing about State that has always been a problem, and that is management of this extremely far-flung organization, with personnel who are wonderful diplomats, but who are characterized generally by a lack of management skills.

I am saying that as diplomatically as I can. [Laughter.]

So consequently, over the years my interest has grown in trying to see that the department was--employed at least 18thcentury management skills. And I think you have us up into maybe the mid-18th century here. But we have still got a long ways to go: the use of modern-day means of communication, the use of modern machinery and gizmos to protect us out there, the use of management--private enterprise-engendered management practices is something that, I think, this subcommittee ought to spend a lot of its time doing.

We recognize here that we are not policy-makers. This is not a policy-making subcommittee. We do not make state policy, foreign policy, do not pretend to, do not have any interest in, frankly. But what we are, we are mechanics down in the engine room; while others are up there steering the ship, we are down here trying to fix the furnace and to fix the boiler and to kick on the tires to be sure that we are getting the best bang for the buck down there. And then, so consequently that is where I come from.

And the last time you were here, both of you, last year, we had a rather pointed discussion about the need for a deputy secretary for management. And of course, that was written into the law. And you have nominated Mr. Green for two successive Congresses now, and the Senate sits on that. I am not sure you are too worried about the Senate sitting on that because I do not think you want to do that, obviously, as you have said before.

But I am thinking of the time when you will not be here. I am thinking of the next time. And I am thinking of the last time.

Now, I concede and admit and compliment you on some good practices you are putting in place. If you were the only, if you were the last, if you were going to be forever, Mr. Armitage, the deputy secretary, and Mr. Green, the assistant for management, I would not worry much about this.

But unfortunately for us you are not going to be there forever. There will be another time, and we will have to rely on Mr. Green, not upon personal relationships with the secretary, but with the title of the office and the power that you get in that office from the law.

And so, I am very disappointed that the Senate, apparently sits on this, happily twiddling their thumbs. And I am disappointed that the secretary does not complain about that.

Nevertheless, I understand the real world of politics. But I do think that for the good of the department we need that position and the authority that it brings and the symbolism of that out there amongst the troops, the employees of the department, knowing that someone is out there looking after them that has nothing else to do but that.

Now, Secretary Armitage, you know, he is involved in policy, he is involved in 10,000 things, including management. And it is important, I think, that the department have somebody who is doing nothing but management issues who has the authority by law to make things happen--not only relationships, but by law. The one thing I have noticed going around all these embassies over the years and kicking the tires in the garage and checking the elevators and looking at the roof and talking to personnel at great, great length, the one thing up until this administration came in, was the lack of a place for those people to go to get a remedy for just a simple problem in the embassy or the operation there: `We cannot get this air conditioning fixed. We cannot get practices to change our consular service or what have you.'' That is all I heard out there.

I have not heard that much lately. I think you are doing a good job, but I wish you would institutionalize what you are doing.

Mr. Armitage. May I? I know you are going to ask a question. Mr. Chairman, may I just make a comment?

Mr. Rogers. Please.

Mr. Armitage. You do not have to be diplomatic. There is no one in the Department of State who is going to claim that historically we have not been managerially challenged. It is almost folklore.

It is one of the things that the Secretary, when he talks about leadership and management and sending people off, he is trying to indicate, sir, that we are in a hurry. You are in a hurry, correctly, to get this fixed for future generations. You want to make an institutional change, and so do we. We are in a hurry.

Please do not condemn either Grant or me to a lifetime of this. This tour will be just enough, thank you, however long it lasts.

The goal is exactly the same. I know what you are saying. I think it was two years ago we had a rather sharp exchange, and last year we got away pretty well. And I was delighted. We also moved Grant's name over to the White House and nominated him.

RIGHTSIZING AT POSTS

Mr. Rogers. Let me ask you a couple of quick questions. I do not want to take too much time here.

Right-sizing, one of the recommendations of the Carlucci report was to establish a process to right-size our embassy posts. We all know that certain embassies have too many people, perhaps some have too few, maybe one or two are just exactly right, but probably only that many. You know, last year we talked about this.

In the 2003 omnibus bill, the chairman wrote language, and I quote, the conferees continue to be disappointed at the failure to make discernible progress in the pursuit of an administrative-wide process of determining the right size and makeup of overseas posts, including the explosive staffing projects at posts scheduled for new office buildings and so forth, end of quote.

This continues to be a concern of ours. What are we doing about right-sizing?

Mr. Armitage. I will start out. Grant sits on the management review team. We have to at least learn to read the report language and follow it.

OMB is leading the effort on right-sizing. One of the

complicated--Grant can explain--one of the complicated factors for us--and this is not an excuse, this is a fact, that we, correctly, I believe, have had requirements that were left languishing and not addressed for too long and have now been put on us, such things as trafficking in persons, and more attention to human rights. There are absolutely correct things to be doing. The Department of State ought to be a leader in, but we weren't for years.

These things come, and we have assigned officers to them. We might think we have an embassy or a place pretty well situated for the challenges they face, and then we come along and add, correctly, a requirement on them.

This is a real movable feast that we are trying to deal with.

Grant.

Mr. Green. As you know, Mr. Rogers, it is a very complicated issue. We in the Department have a mechanism to deal with right-sizing. We go through a Mission Performance Plan process, and a Bureau Performance Plan process. We have identified strategic objectives. We have outlayed people against those objectives. We are down now to counting the percentage of time people spend on certain things. We have, as I mentioned before, an overseas staffing model.

We have pretty much achieved internally the ability to right-size ourselves. We also--I should have prefaced my remarks by saying, we also happen to agree with GAO's definition of right-sizing. I will just read this short sentence.

``Right-sizing is aligning the number and location of staff assigned overseas with foreign policy priorities and security and other constraints. Right-sizing may result in the addition or the reduction of staff or a change in the mix of staff at a given embassy or consulate.'' People tend to look at rightsizing as down-sizing, and it is not necessarily downsizing.

Mr. Rogers. Well, the problem I have is, I have been hearing this 21 years that we are going to right-size, we are going to adjust the size, we are going to modify and so on; nothing ever happens.

And the reason it does not happen is, you know, it is, sort of, an esoteric question. Most people say, ``Oh, what the heck? Who cares how many people we have in Paris or whatever?'' Well, we care because we got to find the money for you. And so, we are expecting some real progress here. You know, I have read all these things, and sure it is wonderful talk, but nothing ever happens.

Mr. Armitage. If I can make a suggestion, sir, if you would indulge us, I do not mean at this moment, but at the earliest moment of your convenience to have Chris Burnham and his colleagues come up and show you how we are going about it.

I know what you are saying. For 21 years you have seen it come and go, and nothing ever changes. I think we have both a Mission Performance Plan and Bureau Performance Plan that can give you at least some comfort that we can measure these things, so there can be some measurement in which you and your colleagues can apply money toward or take it away.

If you will indulge us. I know what you are saying, I am not arguing with it, but I really think we have something that

can make you pleased.

Mr. Rogers. I do not mind you arguing at me.

Mr. Armitage. I am not arguing with you on this case. I am in the same direction. But I think we have something to be proud of, and I would like the opportunity for Christopher's guys to show them.

Mr. Rogers. I would like to see that. I really would.

Mr. Green. Also, as the Deputy indicated, we have finally convinced OMB that they have to take the lead on this. They have to take the lead because they are the only ones that can influence the other departments and agencies to any degree.

Let me just read something again; I hate to keep referring to notes. But in the Federal Page of the Post on April 1st: `The FBI plans to open new offices in Kabul, Jakarta, Indonesia and eight other foreign capitals,'' blah, blah, blah, blah, blah. The FBI says that there is no substitute for faceto-face contact''--we do not disagree.

``If the \$47 million''--I do not know where this comes from, but--``if the \$47 million expansion is approved by the Congress, new offices would be set up in Sarajevo, Bosnia, Jakarta,'' da, da, da, da, da. ``Congress agreed to give the FBI money to open new legat offices in Abu Dhabi, UAE, Kuala Lumpur,'' et cetera, et cetera, et cetera.

That is what our chiefs of missions face, and we do not have much leverage when five guys show up on the doorstep. That is why OMB has got to take the lead. They have to make other agencies realize what it costs them to have a person at a post. Our assistance in that is going to be, as the chairman mentioned, cost-sharing if we can finally get it, and that is making agencies pay for desks at embassies.

Mr. Rogers. We had a similar type thing a few years ago. I cannot think of the name of it. It had a name. It is cost-sharing in the embassies.

Mr. Green. Well, we have ICASS. That is just administrative support. If you want to bring on five people, we have to hire an additional secretary and everybody agrees that they will pay their share of that additional secretary, but that is administrative.

This is actually paying based on the table of organization. ``If you, the FBI, want five desks, you are going to pay for those five desks and you are going to pay every year''--this is our hope, if we can get the mechanics through OMB--our hope is that that will go for 10 years, and then it will be out of it because we will have established a pool to build all the new embassies we need.

Mr. Rogers. Well, congratulations. Where is OMB on it now?

Mr. Green. They agreed with the concept. It is for us and OMB to work out the mechanics of when it starts, and we hope to start it in 2005. It will go for 10 years. It will be phased in over five years.

Mr. Rogers. If it works, it means State is going to have a lot of extra money.

Mr. Green. Yes, sir.

Mr. Rogers. Not extra money, but money that you need, that you are not getting now.

Mr. Green. That we can build 15 embassies a year instead of eight or nine that we are doing today.

Mr. Rogers. Exactly. Well, I hope it works out. What percent, if you know right now, average the personnel

in a typical embassy is non-State personnel? Mr. Green. Two thirds of the people in our embassies

overseas are non-State.

Mr. Rogers. Two-thirds?

Mr. Green. Two-thirds.

Mr. Rogers. That is everyone?

Mr. Green. No, that is Americans.

Mr. Rogers. That is American personnel?

Mr. Green. Correct. That is why this kind of leverage like cost-sharing, as an example, and OMB holding other departments' feet to the fire on what the costs are, is so darn important.

AMERICAN PRESENCE POSTS

Mr. Rogers. Before I run out of time here, and I wish to be real brief with you here, American presence posts.

Mr. Green. Yes, sir.

Mr. Rogers. I came to be a real admirer of that when Felix Rohatyn engineered it or started--experimented with it in France during the last--his tenure. And I have visited those posts and talked to personnel, and I have talked all around the world about it, and I am a fan of it. What do you all think of that?

Mr. Armitage. We have seven of them now. When I was last in Moscow, we were looking at one out there. Izmir, Turkey was the latest one we opened--one person, a non-classified post. In secure areas they are fantastic. They are fantastic.

Mr. Green. We are also doing some other things that are slight modifications of that. One of them is called avirtual presence post. One happens to be in Cardiff, Wales, where we have about 175 U.S. companies represented. What we do is. send an officer from London who will come over once a month for a week, occupy that place, answer questions, meet with businesses and so forth, but we do not have a full-fledged, you know, 24-hour-a-day, seven-day-a-week presence.

Another modification of that which we are doing more and more of, is called different things, but in Russia, as an example, they are called American Corners. We have a computer and information on how to do a visa or a passport, which will be in a corner of a library or a community center. The local librarian will be the one who will talk to foreign residents about how to do certain things and whom to contact.

That is just a flag that ----

Mr. Rogers. Well, I was really impressed in France, Ambassador Rohatyn promised us at that time if you will give us these posts, he said, ``I will not ask for any additional new money or personnel; I will take them out of Paris and disperse them out there into the countryside where the real world is, you know, where American presence, business interests and so forth.''

Mr. Armitage. Ambassador Rohatyn could have paid for it out of his own pocket.

Mr. Rogers. That is right. He may have for all I---[Laughter.]
Mr. Rogers [continuing]. I am joking about that.
But I visited some of those posts. You know, a two or

three-person post in Marseilles or wherever with some foreign nationals working there in an office building with no big seal, no big bullseye on the door, no Marines. They are out their servicing the American business community primarily, and perhaps some other issues as they come along. But it just disperses our State Department personnel out to the real countryside.

Recently in Australia, I talked to some of the personnel done there. They would love to have that in Australia, and that might be a good place to look because it is secure and it is also such a huge geography with certain big commercial interests in the corners of that country.

Well, I am glad to know that that you like those. How many more do you think you might put in? Mr. Green. We do not have any requests that have been put--

Mr. Armitage. We have one in Moscow, the Russian one.

 $\ensuremath{\operatorname{Mr.}}$ Green [continuing]. On the table. That is the--yes, the Russian one.

Mr. Rogers. Well, I would hope you would do it on your own initiative rather than being asked. I would like to see you ask them.

Mr. Armitage. It would make next year's hearing a lot easier, wouldn't it?

BERLIN EMBASSY

Mr. Rogers. It certainly would.

Now, quickly and finally, Mr. Chairman, where are we on the Berlin embassy?

Mr. Green. All of the agreements with the neighbors and so forth have been consummated. I think that we are just about ready. I think they are talking about breaking ground late this calendar year.

Mr. Armitage. Yes, the contract was awarded in September. Depending on 2004 appropriations, that would begin the construction. The setback issue was solved by--you have been there, so you have seen the re-routing of the streets.

Mr. Rogers. They are re-routing the streets?

Mr. Armitage. Yes, sir.

Mr. Rogers. The one out in front of the building?

Mr. Armitage. The what, sir?

Mr. Rogers. The streets that is in front of the building will be moved?

Mr. Armitage. Right. The traffic will not be going--the German government has made an arrangement with Ambassador Coates.

Mr. Rogers. Well, that was the hangup before. I met with them there two or three times.

Mr. Armitage. That is a beautiful spot. That is the right spot.

Mr. Rogers. Terrific spot. But when do you expect to begin to work on that construction?

Mr. Armitage. What I have is construction in fiscal year 2004, so the end of this year if the funds are appropriated.

Mr. Rogers. All right.

I want to submit some questions at least for the record on border security on the operation of the consular offices as it relates to homeland security here.

I have been trying for 20 years to get State and INS to share information about who is coming over here on a visa, unsuccessfully; but I understand now that is in the works.

Mr. Green. Yes.

Mr. Rogers. Could you tell us where that is?

Mr. Green. We are providing information to the INS out of our databases, so that it is at every port of entry. I cannot answer whether or not they have the equipment at all locations to read that information.

Mr. Armitage. We are in the process, sir, of working out an MOU with the Department of Homeland Security, and the result of that MOU will be something that is of enormous interest as it will document all these interactions from INS, State and the FBI.

Mr. Rogers. Well, there was a big debate, of course, that took place. I am sure you were in the middle of it recently when we formed the new department about what, about whether or not the visa issuing personnel at state would be Department of Homeland Security employees or not.

And the decision was that they would be State Department employees. However, I am told that they would be supervised----

Mr. Armitage. Well, they will exercise policy judgment through the Secretary of State, so they will put the policy in place at the Department of Homeland Security.

Mr. Rogers. Yes.

Mr. Armitage. We will do the issuing through the Secretary. Tom Ridge will give the Secretary that direction for Consular Affairs, and we will implement it.

Mr. Green. The bill also requires that they have people on the ground in Saudi Arabia, and they may have people on the ground at our posts in other countries; but, as you realize, sir, they already have folks in our embassies in the form of customs and DEA, and they may choose to, depending on their manpower, to double-hat some of those people.

Mr. Rogers. Well, another thing I want to know here is will you guarantee us that the consular personnel that issues visas will share that data with the Homeland Security people?

Mr. Green. Absolutely.

Mr. Armitage. One hundred percent.

Mr. Rogers. Because half the, over half the illegal aliens in the U.S. now came here on a visa that State issued somewhere and INS never learned that they were here.

So they simply overstayed their visa and no one ever checks on it, and that is got to stop. Do you agree with that?

Mr. Armitage. Oh, yes, and the Attorney General's efforts recently to give an amnesty, let everybody come down, declare themselves--no harm, no foul, really made proof--or proved the point of what you are saying.

We found people that we did not even know were here. Mr. Rogers. Yes.

Mr. Green. Yes, but I think those, in fairness, sir, those were INS systems. I mean, the entry into the country and the

tracking of those people is an INS responsibility.

Mr. Rogers. Well, that is one of the reasons we abolished the INS. It no longer exists. But we have the remnants of that now into Homeland Security, of which I have deep interest in now, and so we have to have this cooperation between State, the consular visa issuing people and the FBI and the CIA and whatever.

Mr. Green. Our databases are being provided to INS.Mr. Rogers. Good. Thank you very much.Mr. Green. Yes, sir.Mr. Rogers. You are the chair--Mr. Kolbe.

EMBASSY IN BAGHDAD

Mr. Kolbe. Thank you very much. I have a chance to ask the policy questions, so I am going to ask a couple of management questions and I will be brief, because there are other members that have been waiting here.

Let me just, first of all, on the embassy that you spoke about a moment ago in Baghdad, are we talking about a new location?

Mr. Armitage. Yes, sir.

Mr. Kolbe. In other words, we are going to have to get new property?

Mr. Armitage. Yes, sir.

Mr. Kolbe. Okay. And the \$20 million that is, are you talking about the \$20 million in this bill or in the supplemental? Mr. Green. The supplemental. Mr. Armitage. The supplemental, sir. Mr. Kolbe. But, obviously, it will not build the thing? That is not going to be sufficient for the whole thing? Mr. Armitage. No, that is for the hotel and a couple of temporary vans, and so on. Mr. Kolbe. So that is not even for acquiring the site? Mr. Armitage. No, it is not, sir. It is for travel costs and things of that ----Mr. Kolbe. So we are really talking several years ----Mr. Armitage. Oh, yes. Mr. Kolbe [continuing]. Down the road for a permanent embassy here? Mr. Armitage. Yes, sir. Mr. Kolbe. Five, six, seven years, right? Okay. Mr. Armitage. Well, we could go into a temporary one in the not too distant future, but a full----Mr. Kolbe. For a permanent one. Mr. Armitage. For a permanent one then you are correct, a couple of years, several years. Mr. Kolbe. No, five, yes, an acquisition----Mr. Armitage. Yes, it is, it may not be five but it is not one. Mr. Kolbe. The ones that I have been through on acquisition of the property is, sometimes takes five to 10 years on the acquisition. I was hoping we would do it faster. Mr. Green. The new OBO is faster. Mr. Kolbe. The new what? Mr. Green. The Overseas Building Operations is faster.

Mr. Armitage. One would hope after this that perhaps we would not have to take five years to negotiate it with the Iraqi authorities.

Mr. Kolbe. Okay.

Mr. Armitage. New.

Mr. Kolbe. But it is obviously going to be quite a while before we have a permanent embassy there, and so we are not even looking at----

Mr. Armitage. Yes, sir.

USAID MANAGEMENT AND DEPARTMENT OF STATE

Mr. Kolbe. Okay. Let me just ask you about the management issue that you talked about earlier, Mr.--Secretary Green, talked about the report that you had there.

USAID is--which I am responsible for through my subcommittee is, of course, as you know, is an appendage of State Department administrator--is an appendage of the State, and with Natsios, of course, reports to Secretary Powell.

I am wondering whether the report that you referred to there--I know that is an outside report--but does that have as a perspective the management of USAID?

Mr. Green. I do not think it does, sir. I just got this yesterday, an advanced copy of it. I do not think it has----

Mr. Kolbe. Oh, no, take it back, page 19, yes it does. Mr. Green. Okay.

Mr. Kolbe. Well, the fact that you were not aware of it may be the answer to the question, my question on the thing. It just seems to me to be one of the problems we have is that AID management is just--almost seems like kind of a side issue here, not really focused on it.

And I am wondering whether you people--how much input you people have into the oversight to the improvements and the management of USAID?

Mr. Green. Well, we are--sir, we are working right now with AID to incorporate them into our whole planning process. They participate in the MPP and BPP process now in senior reviews which the Deputy chairs. That is where everybody comes in to justify their requirements. They participate with the bureaus because they obviously work with the bureaus hand-in-hand. They also come in and justify their own budget and operations separately.

Also, as I said, we are including them now, integrating them, into our planning process and our information technology systems. They have their own management improvement system in place. I think they call it B-tech.

Mr. Armitage. Yes, now the question--first of all, what we are looking at in AID. We have to see if there is a way in the management area--such as their systems, that we can eliminate duplication--that is one thing. Chris Burnham is taking the lead for the Department of State, working with his colleagues at USAID. In terms of management, you know better than anyone here the creative tension that has always existed between State and USAID.

I will let Andrew speak for himself, but he meets dailywith all of the Assistant Secretaries and the Secretary. And he meets fairly often with me alone if there is a management issue or a difficulty. I would say at that level, my words would be that it is a good relationship in terms of management.

I think if you went down in the organization and asked that question, both within the USAID and the Department of State, you would find quite a different answer. They would not feel the same degree of interaction and mutual interest in each other's management.

Mr. Kolbe. Well, they are--USAID is our--and I think to some degree with our pushing--has been making an effort to improve some of its management functions, the financial management, the procurement. And I think this goes with what Mr. Burnham's role of trying to eliminate some of those duplications there, the human resources management, the same areas there.

I am wondering if you had a chance to look at any of those, if you have any assessment of the efforts that are being made there? I am wondering if you had a chance to look at any of those, if you have any assessment of the efforts that are being made there.

Mr. Armitage. We looked at the financial management--Chris, may I ask the committee?

Mr. Kolbe. Yes, of course.

Mr. Armitage. He was taking to the chairman, the Assistant Secretary for resource management.

Mr. Burnham. Yes, sir. We are integrating with USAID in a number of different ways to make this a seamless execution of American foreign policy abroad; not only in terms of the beginning of our planning processes, since the strategic plans are now integrated. Our strategic goal framework, the 12 goals of the government of the United States abroad, are all integrated now with USAID.

As Mr. Green and Mr. Armitage mentioned, the beginning--the foundation of the planning process are mission plans that every embassy submits which give notice of planned mission performance. USAID's goals for that mission and that country are integrated in that plan. They then rise up to the level of a Bureau Performance Plan.

We begin those reviews under the chairmanship of Mr. Armitage May 15. USAID participates at all levels of that. From a standpoint of systems, OMB as well as Under Secretary Grant Green, rightfully wanted to examine whether or not there was duplication going on. There certainly was, in that we were both choosing an off-the-shelf product produced by AMS.

We got together with the working group. That working group produced a plan. We had an independent successful validation of that plan. We are now executing that plan. As we roll out a global accounting system, we are going to include USAID in that one global accounting system.

However, in addition to that, there are other areas that Under Secretary Green will task us to look at, such as information management systems and other areas that have been raised, such as diplomatic security, perhaps foreign language training. There are areas where we can collaborate for greater integration.

Mr. Kolbe. So you are saying that all of this is being integrated with AID, that what you are talking about just describing to me is a State Department-wide initiative. Is that correct? Mr. Burnham. Planning and strategy are all being integrated---- Mr. Kolbe. Procurement, all of these issues. Mr. Wolf. Would the gentleman just yield for a second? Mr. Kolbe. Yes. Mr. Wolf. There is only two minutes left. Have you voted? Mr. Kolbe. I did not. Mr. Wolf. I did not think you had noticed. And we will protect your time. You can come back and begin where we left off. Mr. Kolbe. Thank you.

Mr. Wolf. I will just fill in, but we are waiting for--to come back. But I did not know if you knew. You are down to one minute.

Mr. Kolbe. Thank you.

PUBLIC DIPLOMACY FUNDING

Mr. Wolf. There is a vote going on. I went down and voted to keep you here so we can keep moving, and we will go back to both of them as they come back.

Why did the supplemental not request any new funds for the public diplomacy program?

This subcommittee has put more money in than the administration has asked for. It was \$5 million above the request.

Why did the administration not ask for more money on this issue?

Mr. Armitage. The feeling in the Administration was that the combination of the 2003 money, which we received just recently and the 2004 bill in public diplomacy would be sufficient.

That was combined in the request, Mr. Chairman. Part of the request has MEPI, Middle East Partnership Initiative, which has a good bit of Muslim world outreach in it as one of the key pillars. It was felt that that would also take up some of the slack, if you will allow me to use that term.

Mr. Wolf. Well, I think it is very important. And I am not going to ask this public diplomacy question because you kind of covered it.

The Zogby poll--the one I saw the other day--showed very low favorable views of the U.S., only 4 percent in Saudi Arabia. There were 17 Americans killed in Riyadh, working, guarding the Saudis.

We sent forces to the Middle East in Desert Storm to protect the Saudis. We are at 4 percent. I do not want to keep using an analogy of a product because it is not fair.

It is like if a company had an outstanding product, a product that would cure the most dreaded disease or do something like that, but it only spent a little bit of money to promote the product to let people know. Like the Bible says, do not hide your light under a bushel basket. We are hiding our light under a bushel basket.

I think OMB has been a problem on a lot of these issues. I mean, I have worked in an administration for five years, once with a Secretary, and they are a problem. They were a problem

on the hunger issue. Andrew Natsios and the Secretary, you guys were out in front on the hunger in Ethiopia and Eritrea when they were just digging in and saying, ``No, no,'' and everything else. On this issue, they are also a problem. I really think we have to spend the adequate money.

It pains me when I watch Al Jazeera and the negative stuff coming out about the country that we both serve. And I think we have to tell the story. So I think OMB just has to put some additional money.

After a while the committee cannot just plus-up something where there is no intention by OMB to move ahead.

Mr. Armitage. You have been great on this. As Undersecretary Beers said previously, the whole department has recognized this.

I think if we look at the problem with 4 percent in Saudi Arabia and 8 percent here or 30 percent somewhere else, it is a complicated problem. If you ask them if they like Americans, the answer is quite different; generally, they do. If you look under the chadors in Iran, if you look under the veils anywhere else, they are wearing American products.

Their approach to us is a function of a lot of things. Al Jazeera is certainly a big part of it. Some of it is our policies for which we make no apology, particularly support for Israel, but that has an effect on it.

Other things affect it. Saudis who come here and get, in their view, shaken down at airports, sometimes strip searched. It happened overnight, from their point of view. We know that 15 of the 19 people who caused this grievous harm to our country were Saudis.

From their point of view, they want to come into New York, they want to come to California, want to send their children to the University of San Diego. All of a sudden, no, they are not welcome visitors anymore, and so that chips away at it.

There is a whole host of things that cause a 4 percent or a 6 percent result. There are frustrations in their own home with their lack of jobs and lack of freedom of expression to some extent within an Islamic context. It is a very complicated equation.

Mr. Wolf. Thank you. Mr. Kolbe.Mr. Kolbe. No, I think my questions were probably answered.Mr. Wolf. Okay. Mr. Kirk.Mr. Kirk. Thank you, Mr. Chairman.Good to see you again.Mr. Armitage. Thank you, sir.

WAR CRIMES IN IRAQ

Mr. Kirk. That is right. This is all Navy side.

I gave you a memo on war crimes. I worried that we would see Iraqi chemical use as early as this weekend. And I would hope the department would be ready to move a war crimes resolution in the Security Council in the same news cycle as that use.

Dr. Sharif Basiuni, who was the author of the resolution on Yugoslavia, provided a draft. This is going to be a very fast moving situation. But, boy, would I like to see the French vote against a war crimes resolution after a confirmed Iraqi chemical attack. It would be very difficult. And I think that would be a chance for us to put together----

Mr. Armitage. I will have the Ambassador call you as soon as I get back to the department.

INTERIM IRAQ AUTHORITY

Mr. Kirk. That is great.

And on public diplomacy, I hope we are moving forward on an Iraqi interim administration, because that person, if we name them, will get 50 percent of the news coverage that right now is entirely commanded by the Iraqi information minister.

Mr. Armitage. If I may, I will tell you where we are on that. In your note to me, you talked about a provisional government. That is a different thing. The term you used is the one we are using, an interim authority. The reason we are cautious about this is that we know very well the expatriate Iraqis who have fought 20 years to change this regime, and we respect them and know them intimately. We do not know how they are viewed within Iraq, so that calls for a little caution as we move forward.

By the same token, we know through certain channels some of the people in Iraq. As we move forward, our Marines and Army personnel move forward, they find which tribal sheiks and which leaders have been in opposition for 20 years within the country. Clearly they have to have a big role. As I indicated in front of the committee the other day, sir, probably the balance is slightly weighted toward the internal.

We want to have an interim Iraqi authority. It will not be one that is completely democratically chosen.

We are going to move forward very shortly with some sort of transparent process in which Iraqis give us their views of how best to form that interim Iraqi authority.

Then how best to move toward a permanent, democratically, transparently elected government, which will probably, in some fashion, have to recognize the aspirations of all 18 provinces, certainly Sunni and Shia, certainly Turkmen, Assyrian, Chaldean and Kurds, who are the only democratic bunch there now.

Mr. Kirk. Right.

Mr. Armitage. If we do not use the term provisional government and use interim Iraqi authority, I think then where you are and where the administration is are the same spot.

AID TO TURKEY

Mr. Kirk. That is great, that is great. We are going to have a big battle about Turkey this afternoon, and we just got Condoleezza Rice's letter which said that Secretary Powell-both sides agreed on the unimpeded flow of humanitarian aid to northern Iraq, and access by American forces to supplies sent through Turkey.

Turkey continues to grant overflight rights and is committed to enhanced cooperation on terrorist threats and possible refugee flows in the region without moving additional Turkish military forces into Iraq.

Can you talk about the \$1 billion for Turkey, and what is the administration's view on that and what would happen if a

resolution in the Congress was adopted cutting that aid?

Mr. Armitage. I thank you. Dr. Rice's letter is followed by one that I wrote this morning in the Secretary's absence, which is coming up to the Appropriations Committee, Mr. Chairman, and it expands on the points she made.

As Secretary Powell did, she not only got agreement on those things mentioned in her letter but got the Prime Minister, Minister Gul to stand up publicly and say, ``We are part of this coalition, and we are doing this.''

We have been publicly committed to what he said to the Secretary. The \$1 billion was as much to keep a long-time ally from going under as it is a recognition of overflight rights or things of that nature.

As I said, I think, before you joined the other day, sir, in the committee, the biggest irony of all would be ifwe expend so much treasure and, unfortunately, blood to liberate Iraq only to find the next door neighbor, who has been a long-time ally of ours goes bottoms-up because of an economic problem.

We settled on the number of \$1 billion, which Treasury, who took the lead in the discussions with Turkey, determined could be used to leverage against \$8.5 billion in loans while we simultaneously, assuming the Turks continue their activities for structural reform and economic reform, will support them in the IMF and the World Bank.

Mr. Kirk. Thank you.

Mr. Armitage. It would have a grievous effect on the markets in Turkey if this \$1 billion were not granted. The announcement that the Administration put it in, and realizing that it had to go to the Congress, buoyed and actually lifted the markets in Turkey.

I think you could expect quite a shock if it did not go through.

STATE DEPARTMENT PRESENCE IN CHINA

Mr. Kirk. Thank you. I wonder if I can ask Secretary Green a longer-term question. When we go to the appropriations bill for the regular year, I will want to ask you for, to formally look at the future of the State Department in China.

We currently have six establishments in China, but China has over 100 cities totalling a million or more. I do not want the United States to be in the position that the British government was in, say, in 1900 with only one little embassy and nothing going on in Chicago and Los Angeles and other major American cities, missing an enormous, Earth-shattering thing, which was the rise of the United States.

I was hoping can you tell me what your long-term view is on the presence in China, and where we are going with this country, which is now the third-largest economy, second-largest in population and what the IMF says, which will be the secondlargest economy in a short time?

Mr. Armitage. I do not know if we are smart enough to know how many and where the posts are. We thought we were pretty much aligned to where both the major industrial and population centers, as well as the cultural centers are.

We are not real strong in an area of interest to the chairman, and that is in Xinjiang Province area, though we travel there quite often.

I take your point. I do not know that we have figured it out. But I will take it and go back to the EAP bureau and talk to them about this.

Mr. Kirk. It is just that a long-term thing, Mr. Chairman, with this bill--I would like the department to plot out in 20 years where we would like to be, because I certainly do not want to be where the British Foreign Office was with regard to the rise of the United States.

Mr. Armitage. Yes, and I have been thinking about your question. You asked if where we are, generally, of course, where the majority of the wealth and the people who are making policy are.

They are all up and down the coastal region, for the most part, which represents only a couple of hundred million of the 1.3 or so billion.

The people in the interior are the ones who have the problems. If there is a problem, agriculturally or otherwise, that is where the problem will be, so we leave ourselves open to some charges of not knowing what is going on.

Mr. Green. We are also where the greatest concentration of immigrants to the U.S. is.

SARS AND STATE DEPARTMENT EMPLOYEES

Mr. Kirk. Great. Related to China, I am concerned about the condition and advice you are giving to our official Americans and their dependents regarding SARS, the new strain of pneumonia breaking out in Asia.

Can you tell us what you have told the official State Department family, for example, in China, Japan, et cetera?

Mr. Armitage. China's just come in for authorized departure, and we are going to allow them. When we do that, we send the same warning out to the entire civilian population.

Our warning followed exactly the CDC warning. It was both public and to the embassy. We cannot have a different warning to our folks than we do to the public.

Mr. Kirk. Right.

Mr. Armitage. We do not do that.

WHO, in an unprecedented move, just came out with an even stronger warning to Americans saying not to go to Hong Kong, and I think to some other areas in China. Those are echoed by us.

As I say, the embassy has just come in for authorized departure. We are going to agree to it. That came in this morning.

Mr. Kirk. Yes.

Mr. Armitage. Vietnam came in the other day. They are out, and we are looking at others. There is quite a bit of fear.

Mr. Green. We have already got a couple of our consulates in China that are on authorized departure--Hong Kong and Guangzhu. But this will incorporate everyone within the country.

UNESCO AND OECD

UNESCO: \$71.4 million request as we rejoin. Any thought of saving costs by maybe combining the ambassadorship for OECD with UNESCO?

Mr. Armitage. We thought about it, we looked at it, and that would be an easy thing to do. We made the decision, though, having rejoined UNESCO--the White House made the decision they want their person in it. This was an initiative of the President. They are going to put their person in, and we are going to have a separate post. We have budgeted, if you will, for eight people and one ambassador in Paris for that.

Mr. Green. We may dual-hat some people.

Mr. Armitage. Underneath the ambassador.

Mr. Green. Underneath. And we may be able to save some by co-location or adjoining locations and not come up with a completely separate building.

MACHINE-READABLE VISAS

Mr. Kirk. Okay. That is good. Although I will put in, my wife loves Paris. She would be very happy to help out.

On the machine-readable visas, you are on a bit of a budget roller-coaster. Can you tell us what you are collecting now----Mr. Green. Sure.

Mr. Kirk [continuing]. And how you even plan----

Mr. Green. Well, what we did in 2002 was \$941 million.

Mr. Kirk. Right.

Mr. Green. That is everything, including machine-readable visa fees. We collected \$360 million on machine-readable visas, specifically.

In 2003--and you realize we have raised the price twice on the visas and once on expedited passport fees--we are now at \$100 for machine-readable visas. In 2003 we are estimating \$600 million on machine-readable visas only, for a total of \$1.3 billion. And for 2004 we are estimating \$800 million on machine-readable visas and a total of about \$1.5 billion.

The reason it goes up, which is contrary to intuitive thinking, is because we have a cost-of-services study ongoing now which will probably recommend that we raise the price of the machine-readable visa again to probably somewhere around \$140.

Mr. Kirk. \$140?

Mr. Green. Yes.

Mr. Armitage. We have really suffered in the wake of September 11, and now we will see the effects of this war.

Knowing of your interest, I asked for some figures about non-immigrant visas from 2001 to 2002, and we have 2.1 million less people.

Now, that clearly will be even lower this year.

That was non-immigrant. In student visas we are down about 60,000 from 2002 versus the 2001 number. That is another reason.

Mr. Green. But we are still doing 6.5 million visas a year. Even though the numbers may be coming down, because of what we have to do in interviews and so forth, the work load is going up. We are also shifting the work load of our consular affairs people so that foreign service nationals are very limited in what they can do. Even the consular associates, which are

generally the spouses, who have had training, are more limited in what they can do.

Mr. Kirk. I am glad you are doing this. I hope we go to \$140, that we try to get more cost recovery.

Mr. Green. I think we are going to be there.

DIPLOMACY CENTER

Mr. Kirk. Yes. That is very good.

Last question. We have a request for a diplomacy center, a museum, at the State Department. Think we might want to hold off on that this year now that we are going into debt the way we are?

Mr. Armitage. Yes. Mr. Kirk. Yes? Good. [Laughter.] Mr. Green. We will look at that. Mr. Kirk. Right. Right. Thank you. Thank you, Mr. Chairman.

CRIMINAL ALIENS

Mr. Wolf. Thank you, Mr. Kirk.

I continue to be concerned about the threat to the safety of American communities that is posed by the release of deported aliens who have been convicted of violent felonies because their home countries refuse to take them back.

The Immigration and Nationality Act stipulates that the State Department will discontinue the granting of visas to certain countries upon being notified by the attorney general that those countries deny or unreasonably delay accepting an alien under final orders of removal who is a national of that country.

The fiscal year 2003 bill includes language prohibiting funds for the granting of visas in such instances and stating that the attorney general shall notify the secretary of state in every instance when a foreign country denies or unreasonably delays accepting such an alien, thereby triggering the visa sanction.

As you know, a recent Supreme Court ruling stated that criminal aliens cannot be held indefinitely once they have served their sentences. When their countries refuse to take them back they must be released.

Some of these people have committed very serious crimes. For instance, those deported but not accepted by Vietnam include an individual convicted of aggravated sexual assault and aggravated sexual contact, while another served time for shooting with intent to kill and driving under the influence.

I understand that INS has already released 2,000--2,000-such aliens because they can no longer legally hold them. The provision in the bill gives the federal government the needed leverage to convince other countries to reverse their current practice and accept the return of these deported individuals on a timely basis.

Can you describe for us how you are planning to put this language into practice?

Has Attorney General Ashcroft or Secretary Ridge--because

that probably would have been transferred to Ridge with the change--already begun to notify you in every instance where countries are denying or unreasonably delaying the return of these people?

And, lastly, have you suspended the issuance of visas anywhere? And Vietnam, ought to be the first country.

Mr. Armitage. I will tell you precisely what we are doing, sir. In 1996, the authority, which we call Section 243(d), was written into law, and gave the Attorney General the right to make these judgments. We invoked it on Guyana last year. And guess what? It worked. It worked and it solved, to some extent, our problem with Guyana.

The President of Guyana just came to see me recently. Among the issues he raised was, ``We need a little bit of help with these fellows who we took back.'' I said, ``What do you mean?'' He told me a story of having a policeman who stopped a fellow for a traffic violation on a motorcycle, took the bag off his shoulder and found two semiautomatic weapons in there.

This was a fellow who had gotten real tough on our streets, and he is taking what he learned here back to Guyana. The President did not complain about having him back. He accepted the fact that this was his problem, but he wanted a little help on re-integrating these folks.

The largest problems we have are not Vietnam, Laos and Cambodia, though I will get to that. The largest problem we have in terms of criminal population is China, Mexico and India, which is, I guess, not surprising. They have the largest countries in the world.

Vietnam, Laos and Cambodia are ones that we are working with the governments on now, trying to come up with a nominal, financial re-integration package. We give them back their folks. They accept that these are, in most cases, people that were not from the war days. They are people who came here subsequent to that.

They say, ``We have to re-integrate them into our society, so how about a little help.'' We are trying to work that out. That is where we are. That is in consultation now with the Department of Homeland Security, which until a couple of months ago was with the Attorney General and his staff.

Mr. Wolf. Okay. Well, if you keep the committee informed--I think we are going to see a story in a major newspaper very soon showing that somebody--and maybe somebody from my congressional districtwas killed or maimed or something by an individual who has been released from prison from a country that would not take these people back. These are violent individuals. Many times they prey on their own community.

Mr. Armitage. Violent non-citizens.

Mr. Wolf. Exactly. And I think you ought to pick another couple of more countries and just deny visas. We are always running around here on the floor passing most favorite nation trading status for Vietnam; I did not vote for it. I did not think we should do that, but the Congress in its wisdom did.

Now, we have business men wanting to go back and forth in trade, fine. If that is where their approach is--that may not be my approach, but that is what the law is.

But now, take these people back. I think you should make the case with some of these countries, the strongest cases that we perhaps have. I think there is a very strong case. If my memory serves me, you served in Vietnam----Mr. Armitage. Six years.

U.N. REFORM

Mr. Wolf [continuing]. Mr. Green served in Vietnam. Take them back, and I think the administration will be severely embarrassed if a major crime takes place. And I know the prisons are stressed now. They are wondering, ``What do we do?'' And 2,000 have already been released.

So, the quicker these people--these are not legitimate people who are here to become good citizens, so we are making a distinction there, but that their countries involved take them back. Or if they do not take them back, just deny visas. Their trade ministers shall no more come here.

I do not think this is retaliatory. This is a progressive, open, positive way. We want trade. We want relations. We want to be trading with people.

But on the other hand--Iraq and the United Nations. Over the past 12 years, Iraq has repeatedly failed to comply with U.N. resolutions. We all know about this, in fact, we probably know more than we want to know.

What does all this failure mean for the credibility and the prestige of the U.N.?

I, for one, believe the U.N. does a lot of good things--the World Food Programme and UNICEF. And yet on the other hand, some damage has been done, I believe. This is not an anti-U.N. question, so I am not coming from there. It is almost, if you will, a friendly question. Are people from around the world looking at some reform?

We reformed here in Congress. We made a decision that you could only chair a subcommittee for six years. We reformed a lot of the way things work. Every institution--and in fact is-that is what Mr. Grant Green is doing now; you are reforming the State Department. No institution, other than Heaven, is so perfect that there is no reform involved.

Our minds, international lawyers, thinkers thinking, is anyone doing any papers or symposium? Is Kofi Annan looking at this issue?

And the other side, when Libya becomes head of the Human Rights Commission, there is a rebuttable presumption that there is a problem, and was not Iraq head of the proliferation?

Mr. Armitage. Yes, they removed themselves. They would have been, but they removed themselves.

Mr. Wolf. They removed? So is there anything being done within the building or within the government to sort of look at these issues from a discussion point to----

Mr. Armitage. If I may, I think your question has actually two parts. One is the strict reform part. We have, I do not know if I can document all of it, but we have had pretty good luck, I think, in tightening up their management, working with them to tighten up management.

John Negroponte and his colleagues up there are pretty proud of what they have done. We have used our influence, I think, appropriately, to get folks in where we could, who we thought had a good sense of mission, like Jim Morrison at the WFP and people like that who are dedicated humanists, but also were American citizens who believe if they are going to take our money, and they are, then we want to get good value for the dollar.

There is a host of those issues, but I think there is a sort of a larger question about the whole U.N., and what we know about resolution 1441 and that we subsequently know that the French apparently were more interested in constraining the United States and Great Britain than they were in disarming Saddam Hussein.

They are paying a big price for it, and that is correct and right. Now, the question is, can we work in an organization like this in the future?

Our answer is yes, and we have started it. We started it with the Oil-for-Food Program the other day with a 15-0 vote, including, of course, Syria, that allows the Secretary General to oversee the Oil-for-Food Program until there is a new Iraqi government.

We are going to be approaching the U.N. again to figure out the appropriate role for the United Nations in the post-Saddam Hussein Iraq. They do not want to run Iraq, that is not what the United Nations does, but there is an appropriate role for them. We have a team which is going to Britain to talk with our British friends about it.

This has been a subject of a lot of discussion with the President and Prime Minister Blair and Mr. Aznar and Mr. Barroso of Portugal. We believe this is an institution that has relevancy and can be relevant.

It is only when certain member-countries on the Security Council make a selfish decision to remove themselves from relevancy that the United Nations does not serve the purposes the founders had envisioned 50-odd years ago.

Mr. Wolf. Well, are there any distinguished scholars looking at the reform of the Security Council, the reform, and----

Mr. Armitage. I do not know that there are any right now, Mr. Chairman. I know that there have been a good bit of studies on U.N. reform, which I would be glad to catalogue and send to you.

I do not have them here.

Mr. Wolf. But they are more budgetary and management?

Mr. Armitage. Yes, they are.

Mr. Wolf. I was thinking in terms of----

Mr. Armitage. You are thinking of policy.

Mr. Wolf. Now, had the French not taken the position that they took, perhaps this war could have been avoided or perhaps a message would have been sent to Saddam Hussein that the French are not going to be supportive, the Germans are not going to be supportive, therefore, you know, he could have left to go to a Mauritania or a Libya or wherever thecase the may be.

And so, the very nature of the structure could very well have resulted in something taking place that we would have hoped not to take place, and not from a negative side but my sense is great minds, if you will, ought to be looking at--does this institution need to be reformed, particularly the Security Council, not so much from a budgetary point of view but from an overall perspective.

An institution can become irrelevant after a certain period of time. People who care about the U.N. and appreciate the good work they do, the World Food Program, the UNICEF and World Health Organization, should look at how you can strengthen it and help it. It could be done in a positive way. Some people who understand these issues ought to be looking at them and doing discussion papers for Kofi Annan and others on the Security Council to look at.

Mr. Armitage. The subsidiary organization--the U.N. Human Rights Commission--when you think about it, the founders and the Charter writers envisioned a world in which everyone basically shared general views, and it is quite clear that all the nations in the United Nations as a whole do not always have similar views.

The very fact that you have a Zimbabwe, or the fact that you have a Libya chairing a Human Rights Council makes a mockery of it. What is good in theory does not pan out in practice.

DEMOCRACY IN IRAQ AND MIDDLE EAST

Mr. Wolf. Somehow I think somebody ought to be looking at this, and perhaps having some conferences on it, because it clearly is a system that is not working well and may very well have been the result of us having to do something that we would have rather not had to have done.

The French, whether knowingly or unknowingly, really set the tone whereby if you were sitting in Baghdad and watching that you may very well think there was an opportunity for you to not have to comply.

If the 15 had been together that may have resulted in what is taking place not having to take place. The consequences of war are unpredictable.

One justification for action in Iraq is that the removal of Saddam's regime will pave the way for a growth of democracy, not only in Iraq but throughout the region.

Do you agree this is a likely outcome? And what are we prepared to do to ensure democratic development in Iraq?

How specifically will democracy be pushed? And what are we doing? And can we expect, at least in the near term, to see something?

And when we think in terms of that, we think in terms of Turkish democracy. What do we hope to see with regard to that after this--with regard to democracy in the Middle East?

 $\ensuremath{\operatorname{Mr.}}$ Armitage. I agree to some extent. There were three questions that I see.

Certainly, the removal of Saddam Hussein will make the search for peace that you mentioned in your opening remarks between Israel and the Palestinians somewhat more accessible. The elimination, for instance, of payments to families to have a suicide bomber will be a dramatic step in the right direction. I think in that regard, the answer is yes.

Number two, I think you have a country that is not a threat to its neighbors, or an Iraq that is not a threat to its neighbors, certainly cannot help but to have a salutary effect on Kuwait and Saudi Arabia, at a minimum. And certainly to be of further help to Jordan.

Whether this would bring about a wave of democracy in Syria and places like that, I am less sure.

I think that there is a trend already in the Middle East that is ongoing. You see it even in such a country as Iran, which had a democratically elected government which was hijacked by an unelected theocracy. There is something going on. All the Iran scholars and the journalists who write about it talk about some wave that is going on.

Is it a tidal wave? No, clearly not yet, but there is something going on.

You saw the same thing--I thought in the far-reaching comments of Crown Prince Abdullah of Saudi Arabia and his bringing discussions of a democratic Saudi Arabia out in the open and laying out his own blueprint. This is rather magnificent, particularly when you put it beside the smaller countries in the Gulf, such as Bahrain, which is moving in this direction and the UAE, and Qatar, where things are happening that open up society to all people, including women.

There is a lot going on, and I think it is going on in the right direction. I think it is almost inevitable. As the President would say, there is a yearning for freedom. And the only way to--I think, ultimately be sure that you will keep your freedom is by having a democracy.

Finally, the point about Turkey, which is a democracy. This is sometimes difficult. I think it was difficult for many of us in the Administration and certainly for many in the Congress who are now debating the whole question of \$1 billion for Turkey. That is that if you really respect democracy, then you have to respect the results of a democratic process.

In Turkey we had a government attempt to go to the parliament, and they failed. We have to respect that. We have to work to try to change it in the appropriate way. But it is one of the ironies. We respect the democracy of Turkey even though we did not like, in this case, the results of that democratic process.

Mr. Wolf. Well, there is going to be a great burden on the administration, because the articulation of the reasons for going into Iraq were heavily--and I hope it was not rhetoric-were heavily stressing the bringing democracy to the Middle East.

Mr. Armitage. We are providing a Deputy Assistant Secretary for the team from the DRL, the Democracy and Human Rights section of our department. I think that shows that we are not overlooking it initially. It is not going to happen.

The President of the United States is not going to commit young men and women to this sacrifice without leaving Iraq dramatically for the better. That has to include a democratic process.

TV IN IRAQ

Mr. Wolf. When people from all these countries come to the United States, they come here for democracy. And I know a number of Syrians who are living here who love democracy. And so we cannot say that Syria can never be a democracy. I understand the different problems with the current government and the foreign minister isnot a very good person.

But when they come here, they want democracy. When my grandparents came here from Germany where there was not democracy, they loved democracy here. So there is this little cavity inside everybody. You know, one cavity some people think has to be filled with the search for God. The other is democracy and freedom and integrity.

And so, I would not give up on the goal that we can bring it to all these places that currently do not have it. But I think it has to be pushed aggressively.

And are you working with the idea of also developing a TV station to go along with Radio Sawa? Is that--or has the administration----

Mr. Armitage. I think there are several right now. We just made a decision yesterday to supply--I think it was \$3.1 million for TV in Northern Iraq. We have a whole host of--as we move toward Baghdad, a whole host of operations, along with the British who have TV and radio broadcast abilities now. That is primarily directed at Iraq.

Mr. Wolf. So we will be setting up a TV station, if you will, in Iraq?

Mr. Armitage. Well, there are not many satellite dishes. There were not many to start with, you know, as they were basically outlawed except for the privileged classes in Iraq. We are, with our aircraft, overriding TVs. They are only on occasionally now in Baghdad.

RELIGIOUS FREEDOM

Mr. Wolf. Religious freedom. Earlier this month, you designated six countries as countries of particular concern with regard to violation of religious freedom as required by the law. The biggest news was the omission of Saudi Arabia.

Freedom of religion does not exist in Saudi Arabia. The practice of anything other than the Wahhabi state religion is prohibited. Non-Muslim worshipers risk arrest, imprisonment, lashing, deportation, sometimes torture for engaging in overt religious activity that attracts official attention.

I believe that meets the legislative criteria for the designation. That was actually my bill. And I really do not see how you can, in good faith--it may be painful for you to put it on, but if you are speaking truth to the powerful, the Saudis really almost have to be designated a country of particular concern.

Will the department be communicating a set of specific criteria to Saudi Arabia so that next year's designation will represent an objective judgment on whether the Saudis are taking specific actions that respond to identify problems?

The other day I saw in the Washington Post, it starts out, it says, ``Saudi firm on church ban.'' And then it said: ``This country was the launch pad for a prophecy and the message and nothing can contradict this. Prince Sultan, the minister, said in Riyadh last weekend after hearing complaints that Christians are not allowed to worship in public.''

Those who want to establish churches, `` are unfortunately fanatics,'' the sultan said. ``There are no churches. Not in the past, the present or the future. Whoever said that must

shut up and be ashamed.''

Now, when the Saudis came to my congressional district to establish the Saudi academy, I thought it was fine. They have the Saudi academy down at the old Mount Vernon High School. There are mosques. I went to the dedication of a mosque in the new ADAMS Center out in Herndon, in my congressional district.

Why can there not be an opening?

And so if they are not going to open up, which does not look very hopeful, they clearly ought to be on the list, because they are in violation of the law.

Now, what you do after they make the list, you know, we will have to see.

So do you have any thoughts about----

Mr. Armitage. The answer is, yes, we will make that presentation. The second answer is kind of homework to me. I am a little surprised. I did not notice that they were not on there. I am going to supply you the rationale for that. Not that you need to accept it at all, and given that comment it is----

Mr. Wolf. That is what I thought.

Mr. Armitage. I have to get the rationale on that. Because we have been pretty frank and forthright about our relationship with Saudi Arabia. I will find out, and I will provide you that today.

[The information follows:]

[GRAPHIC(S) NOT AVAILABLE IN TIFF FORMAT]

Mr. Wolf. Yes. We are not looking to change the Saudi kingdom.

Mr. Armitage. No, I got that.

Mr. Wolf. We are looking, there is a large number of people from the Philippines who want to worship, there is a large number from others who would like to have the opportunity to worship. They are not out there causing problems and creating problems. Prince Bandar, who lives in my congressional district, can come to my church, he can go to the mosque, he can do whatever he wants to.

That is just our system. It is a good system. It is one that has worked well for all these hundreds of years. And so if somebody is a Roman Catholic or a Protestant or Jewish or a Hindu or whatever and they want to worship, obviously in their own way.

And if they cannot do that, then I think clearly they make the list. And I think it is important.

Sometimes, you know, we do our best work when we identify with the poor and the oppressed and the persecuted. I think the Reagan administration did an outstanding job when we were trying to bring down the Berlin Wall.

And when the secretaries of state would go to Russia, they would meet with the Jewish dissidents and they would identify with them. They would many times meet with them in the embassy.

And the Soviets would sort of get confused. Here is the secretary of state, Shultz, meeting with this dissident in the embassy. But we were identifying, we were sharing their burden, if you will. And it sent a terrific message. I worry that we have not done that in Saudi Arabia. And I am very disturbed that a number of our American ambassadors who used to be our ambassador to Saudi Arabia, some are now on the payroll of the Saudi government.

If they are not on the list, I will look for the justification and then we can look to see next year.

In the department's performance and accountability report of 2002 the very lowest performance rating department-wide was for programs to gain worldwide acceptance of freedom of religion. Reported results were significantly below targets.

Can you take a look at this and let us know what the department is going to do to improve the results? It could be a factor of what you are measuring?

Rather than counting the number of conferences that take place, a better measurement of success would be actual improvements.

You are already collecting country-specific data in the annual religious freedom report. Couldn't you simply tally how many countries brought about improvements in religious freedom over the past year versus how many went the other way?

Mr. Armitage. Yes, I am thinking of China, frankly, and I am just kind of taking your statement and playing it against China. In one way you get a step forward and a step back. You get an acknowledgement by the leadership of China that, for instance, there are about 100 million, by their estimate, believers in China.

It seems that to some extent, when there is no problem or much public manifestation of it, then these services, et cetera, are allowed to go on. On the other hand, if there is some public demonstration about it, then there is a clamp down or a stoppage of it.

I am not sure in my own mind whether it is easy to catalogue as a plus or a minus, because I think it is a mixed bag.

I know Ambassador Hanford, who has gone--I am thinking again of China. On several occasions, I think he would say it is a mixed bag, and we have to push on all fronts at the same time. I think we try to capture that in our religious freedom report.

That is how I think I would respond.

COMPENSATION FOR VICTIMS OF TERRORISM

Mr. Wolf. Okay. Well, we will keep trying.

The believers, as you call them, those, that whether they be Catholic, Protestant or Buddhist in Tibet are of no threat to the Chinese government, none.

The Buddhist in Tibet; I was in Tibet for a week with a Buddhist monk who spoke the language. I never heard any Buddhist monk that we spoke to--and obviously there were no Chinese handlers around--criticize the government. They were critical of the activity of putting Buddhist monks into prison and different things like that, but they were not calling for the overthrow of the government.

So those who are people of faith generally are very supportive not of their government in the sense that they are out supporting the government, but they want to worship. And so, I think they are not a threat to the Chinese government.

And let me cover another very tough issue, compensation for victims of terrorism. We really have to bring this issue to conclusion.

Section 626 of the fiscal year 2002 bill called upon the president to submit a legislative proposal to establish a comprehensive program to ensure fair, equitable and prompt compensation for all U.S. victims of international terrorism, including those with hostage claims against foreign states. We, and more importantly the victims--forget us--the victims, and there are so many victims, are still waiting for such legislation.

I had a constituent who was killed in Pakistan, AID employee, several years ago, thrown out of a plane where his legs were jammed up in his body. The victims with regard to all of the bombings--the Tanzania bombing, the Kenya bombing--and I know you are familiar with it. And we really need the State Department to advocate. I mean, the hostages with regard to Iran, now they have made a little progress up here, and I am supportive of them.

But we really need a uniform policy, and we really need the State Department to work with the authorizing committees.

I have a family in my district, another one who was involved in the Kenya bombing. And I think we need something that is fair. We cannot have the situation that if you get a couple powerful people who can represent and get a big law firm to sue for this category and the others who, perhaps are getting very old now and are not sure what is going on get something less.

We really need a uniform policy with Justice that goes back really--terrorism is not new. How did we compensate the families that were killed in the Beruit bombing of theembassy in 1983?

Nobody even talks about them anymore. It is like they were not just even around. And so when I look at all of these things that are taking place--and now we are beginning to be different groups who come up and hire this person who knows this person.

I really think we need something equitable that covers the Iranian hostages, that--and does it in a way that does not complicate your ability to run foreign policy.

There was an amendment over on the Senate side that I oppose. And I was criticized for opposing it. But I knew you were dealing with that country in case pilots were shot down. And so I felt to do that on a piecemeal basis was not right. We really do need the two of you and the Secretaries to come up and advocate some uniform policy that the authorizers can put into place.

Victims are our citizens. Some are diplomats who are working overseas. God forbid and we hope it never, ever happens again. But to give confidence to anyone that is out there. We just have to bring a uniform policy. And it has been over at OMB. I am going to ask for the name of the person over at OMB. And then what I am going to do is give a five-minute on a special order and just say this is the person that is blocking this. And I do not know how to reach them or where they are, but just call the White House switchboard and ask for the person's name and just call. I have actually thought of going on a radio show on one of the Christian radio stations and just giving the person's name out and let them explain it.

I cannot explain it any more. When the families come in to me, some are constituents, most are not. And I know public service is to serve the country. We just need a policy.

And so I would like to ask you, will you just come up, work with the authorizers?

I do not think this committee can fashion it. Get Mr. Hyde and Mr. Lantos and something that you all feel comfortable with and so we can treat these people fairly.

Mr. Armitage. Look, you have me in a difficult position. In June of 2002, I sent a letter with OMB concurrence to the relevant Members explaining the principles on which we would like to move forward on this.

Secretary Powell sent another letter on March 13 saying that we have to move on this. I do not want to point to a name. We can talk privately about it. Yes, it is increasingly difficult for the Administration to just sit back and not conform with the policy. That is all you have added, and it is perfectly sensible. People who have suffered have a right to redress.

Mr. Wolf. Well, thank you. I knew you agreed with me, and I know that the department does, but I would hope this year we could bring the----

Mr. Armitage. Say OMB agreed with it, and they cleared my letter. It is just--we have had difficulty fashioning it, so the Secretary went back to them on the 13th of March. I suspect, though, that they have been totally tied up in this emergency supplemental.

 $\ensuremath{\,\mathrm{Mr}}$. Wolf. Could you provide that so we could put that in the record?

Mr. Armitage. The letter? No.

Mr. Wolf. Well, I am not here to get you in trouble.

Mr. Armitage. I am making my statements, but for the record, sir, it is correspondence from the Secretary. I will be glad to show it to you, but I would not want it in the record. That is not appropriate.

BERLIN EMBASSY SECURITY

Mr. Wolf. Okay, I respect that. But let's see if we can all resolve it by the end of this year because memories are short. We forget the names of the people. And many of them are not organized.

They are not powerful people. They are scattered. And they just do not know what to do. Some are not even sure of where some of these activities are going on, and that if something happens, they do not even know that they will be participating in it. So I think that we can do that.

The last one or two questions, the Berlin embassy. There is no place immune to terrorism today. Germany has certainly seen the disco bombing of the service men, the Munich bombing. Why is the Berlin project a higher priority than additional construction under the capital security replacement program, where the results will be facilities that meet security standards? Is your request for \$128 million for the construction? It cannot be constructed on the proposed site in the manner that will meet the security standards. And the cost is going up. And so, at a time that we are really stressing embassy security, you are relaxing it somewhat for the embassy in Berlin.

Mr. Green. What we are doing, sir, in Berlin, once the site was selected, which you have probably seen, if you have not heard about it certainly, is rather than the setback, they are using construction techniques--building thicker walls, if you will--to compensate for the lack of setback.

Mr. Armitage. They have also been rerouting traffic.

Mr. Green. Well, yes.

Mr. Armitage. Yes, the rerouting as well.

Mr. Green. Rerouting the traffic away from the embassy.

 $\mbox{Mr. Wolf.}$ And General Williams is confident that that makes it----

 $\,$ Mr. Green. Yes, the waiver has been signed by the Secretary for the security waiver.

COST SHARING FOR SECURE EMBASSIES

Mr. Wolf. Well, okay, I guess, you know, we are being so strict in other areas, and you have had--actually you have had a couple of--I think Atta had lived in Germany for a period of time. You have a significant number of terrorist cells that have operated in Germany. I do not know.

This goes back to the question that we were talking about, the cost. Your budget request for 2004 includes an increase of \$129 for the first year across the starting and inter-agency cost-sharing program for secure embassy construction.

The program, if implemented properly, will have two primary benefits. One, more funds will be available to construct secure embassies; also it will create a right sizing incentive where currently none exist for all agencies to keep their overseas presence to the minimum number necessary to serve critical and national interests.

In 2004, money is only coming out of the State Department budget for this initiative. Can you ensure that this initiative develops--that other agencies will bear a fair and proportional share of a cost of the overall construction program. And, therefore, they will have the incentive to rationalize. Everyone ought to be prepared to pay their rent, square footage or whatever the case----

Mr. Green. That is what our proposal is, sir.

Mr. Wolf. But also, and your arguments were working a little bit against what the committee is trying to do. I have been urging--and we are going to fund the FBI to have those additional Legats. I think we need additional Legats in other places. I think the bureau ought to pay. We have asked the bureau to put a Legat in Lebanon--Hezbollah, Hamas, conflict diamonds.

Mr. Green. Sure.

Mr. Wolf. But they are telling us that they cannot find the space in the embassy in Lebanon, because there is no additional space. Well, shouldn't there be a mechanism--is the plant and agriculture office there? And maybe it is doing a great job.

But maybe in these days of terrorism, they ought to come

out. So there ought to be some way for agencies to both pay a fair share but also have their programs prioritized as to policy at the overall level.

Mr. Green. Yes, sir.

Mr. Wolf. But the----

Mr. Green. Obviously, the difficulty is, as the world changes and priorities change, we are getting a lot of demands from other agencies that are not State-related necessarily. As you say, law enforcement, health, drugs, counter-terrorism and so forth.

When we build a new embassy, we can get a reasonably good handle on what the requirements are, personnel-wise. But that still does not always hold by the time we--even under fasttrack construction, which we are doing now on our standard embassies from groundbreaking to cutting the ribbon, it is about two years.

Those requirements, as you saw in Kabul, can change dramatically. The difficulty we have in a place like Lebanon is, we have an existing facility, but the demands continue to increase. We do not have a system that I am aware of that would do what you say. In other words, prioritize who is in that building and, you know, kick Ag out, and move Legat in, for example.

I do not think we are there yet--not that it is not something we should not look at.

Mr. Armitage. No, you are right. We do not have a system for it. But, in a way, we do. It is called an ambassador. There are some things that have gone on quite well in an embassy. Agriculture--we will pick on them, perhaps there for 15 years, but it is now no longer relevant. Or maybe that position ought not to go to that post, maybe it ought to go to another post and become a circuit rider.

But I think you are right--there is no system. I think it is incumbent upon us to make sure the ambassadors are squeezing this out the right way to tell us who is----

Mr. Wolf. Do you have a formal--do you have a formal--have you gone out to all your ambassadors saying, obviously, if an embassy did not have somebody in Africa for hunger, and now they do, obviously--that would be a priority over something else, maybe a law enforcement.

But, are you--has there been an effort to have all the ambassadors to go out and do an inventory of what you have?

Some of these agencies may very well like to come home-maybe just osmosis--they have just kind of stay there, and it has always been, but now there is no longer a need.

Mr. Green. I think that is what right-sizing under the OMB lead and the cost sharing will drive. Because we have agencies now, very frankly, that do not know how many folks they have overseas.

Mr. Wolf. Is there an inventory now of all the embassies---

Mr. Green. We have one. Mr. Wolf. You have one. Mr. Green. Sure. Mr. Wolf. You know how many DEA agents there are----Mr. Green. Sure. Mr. Wolf [continuing]. And how many FBI---- Mr. Green. Sure.

Mr. Armitage. We have part of what you want, Mr. Chairman, in the Mission Performance Plan. We make our embassies come up with their performance goals, which are about a handful. They have to measure themselves against it.

This is helpful for us, when I go to your colleagues on the Foreign Ops Committee, that asks about money spent on religious freedom or for something else. If an embassy is performing their goals well, maybe we got about the right amount of money.

If they are not getting it, we have to make a determination. Is it because we are not doing it right, or there needs to be more money?

This is true, that some areas where Agriculture, for instance, has been historically present, but maybe it is no longer necessary. Maybe we are past that. That should show up, to some extent, in the Mission Performance Plan. But it is not something that shows up in one year. It takes two or three years--do not you think, Chris?--to get that to show up so we could actually grade ourselves.

Mr. Wolf. Has every embassy submitted a Mission Performance Plan?

Mr. Armitage. Yes.

Mr. Wolf. So, if we were to call up the embassy in Eritrea, we would now see their mission plan, how many people they have to carry out that plan, how many FBI agents, how many Ag people, how many--I mean, that would all be there?

Mr. Armitage. They grade themselves on how they are doing to achieve these various goals.

Mr. Green. Then, those are rolled up into the geographical bureaus' plans, and come to the Deputy for allocation of resources.

AMERICANS ABROAD AS AMBASSADORS

Mr. Wolf. Okay, well, hopefully you can get that resolved by next year, for both the reasons that Mr. Rogers have been talking about and that you are concerned about, which would give you additional resources, but also to make sure that the slots there are fitting into the overall program.

The last question, I guess, and then I will make a, just a comment, is: We really should be using the Americans abroad more than we use them. There are a lot of Americans in France, in Germany, in all countries, who love America. And other than just sometimes being invited to the Fourth of July party, if they can get an invitation, that is their involvement with the American embassy. We are all ambassadors.

And so, if you get an American with IBM or Motorola living in China or living in Europe, you are an ambassador for the United States. And I would love to see us--I mean, maybe there is a group of Americans living in a particular country that would adopt an orphanage.

Maybe there is a group of Americans in a particular country that will periodically, you know, go clean up a road, or, I mean--you know, Americans--there is not the volunteer spirit in a lot of the world that there is in America. We are just a volunteering country.

Mr. Armitage. Adoptions prove that.

Mr. Wolf. Yes. Is there anyone in the department whose job is to work with Americans abroad and have them speak out, or have them do events?

I do not mean political events, and I do not mean meetings. But I mean to have them adopt some orphanages or go paint something or go do something.

And I am hearing from people saying, ``Boy, I would love to be involved. I live in Italy. I would love to be able to do that.''

Politically, we ask them to vote. We like that. But should we not also invite them to participate and let them play a role?

Mr. Armitage. I think what I am hearing from a former life of both of our is that you are making the correct point that Americans overseas are force multipliers.

Mr. Wolf. We are.

Mr. Armitage. If we properly approach them--primarily, I think, through public diplomacy--and get them to be the microphone and the megaphone for us--that is different from the volunteerism, which is a separate thing.

I think in a way that is kind of individual. I know we have embassies which volunteer to do things, but it is a little different.

We can encourage it. I see the force multiplier, but I am not sure the volunteerism can be fostered from an embassy. I think this is something that comes from within an individual and in a group.

Mr. Wolf. I had a member of my family that was in Bulgaria, and they said one of the most hostile places was the American Embassy in Bulgaria.

The person was out jogging and got attacked by a pack of dogs, and went to the American Embassy for a rabies thing, and the British Embassy gave him the rabies shot.

I mean, I think sometimes we do, we really have----

Mr. Armitage. How long ago was that?

Mr. Wolf. Well, I can tell you. I mean, I do not want to say it now because I will tell you when, because it would identify, you know, who was the ambassador at that time.

Mr. Armitage. That is what I wanted.

Mr. Wolf. Well, it was not in this administration. And it was my son-in-law. But I really think the Americans abroad are a people who understand the culture over there and understand us and can be used, and if you thought it would be meritorious we would put some money in--whereby you could have a coordinator, if you will, to tell the American story abroad, whether it be in France, or whether it be in a Third World country.

But--and I do not mean politically, writing letters to the editor. I am talking about doing constructive things to tell the story, to go into schools.

Mr. Armitage. What occurs to me is it is not--I mean, money helps in anything, but it is not that. If we were to find at an embassy a group that was volunteering in whatever good program, and we were to send you a letter on it, and you were to put that in the Congressional Record, that is the kind of thing we can then send out to all our posts and have them pass it around. That is a way to get things moving. You have to spark the idea.

Mr. Wolf. But I think the American ambassador, and I do not want to beat this too much, ought to reach out to the American community in those countries, probably difficult to do in England because there are so many; but probably not that difficult to do in Romania and Bulgaria and Kenya and Eritrea and Ethiopia.

There probably are not more than 500 Americans in Ethiopia, but to reach out to them is important. Our people in the embassies do a good job of being part of the community. Like in Ethiopia, the Marines were raising money for the hunger program. So I think the embassy staff should reach out to the Americans that are in that country and almost like a service corps whereby they are participating.

Maybe we can do something in language, or maybe we can give you some additional resources, or maybe you could put that in your memo to all the embassies, the ambassadors----

Mr. Armitage. That is just what I am writing now. [The information follows:]

[GRAPHIC(S) NOT AVAILABLE IN TIFF FORMAT]

Concluding Remarks of Chairman Wolf

Mr. Wolf. That is all the questions we have, and no other Members are here. I just would urge you again on the issue of China, that sale to that Chinese company would just be, I think, wrong.

So as this percolates up, I hope you get the DI briefings and the other intelligence briefings and look at that, because Global Crossing should not be sold to a Chinese company.

The other is, if you let the Committee know what you are doing on the war crimes issue.

Again, thanks for both of you for your testimony and for your service and the hearing is adjourned.

Mr. Armitage. Thank you, sir.

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