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S. HRG. 108–653

ONGOING MILITARY OPERATIONS AND RECONSTRUCTION EFFORTS IN IRAQ

HEARING

BEFORE THE

COMMITTEE ON ARMED SERVICES
UNITED STATES SENATE

ONE HUNDRED EIGHTH CONGRESS

FIRST SESSION

SEPTEMBER 25, 2003

Printed for the use of the Committee on Armed Services

U.S. GOVERNMENT PRINTING OFFICE

96–500 PDF WASHINGTON : 2004

For sale by the Superintendent of Documents, U.S. Government Printing Office
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ONGOING MILITARY OPERATIONS AND RECONSTRUCTION EFFORTS IN IRAQ

THURSDAY, SEPTEMBER 25, 2003

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, DC.

The committee met, pursuant to notice, at 9:39 a.m. in room SH–216, Hart Senate Office Building, Senator John Warner (chairman) presiding.

Committee members present: Senators Warner, McCain, Inhofe, Roberts, Allard, Sessions, Collins, Ensign, Talent, Dole, Cornyn, Levin, Kennedy, Byrd, Reed, Akaka, Bill Nelson, E. Benjamin Nelson, Dayton, Bayh, Clinton, and Pryor.

Committee staff member present: Judith A. Ansley, staff director.

Majority staff members present: Charles W. Alsup, professional staff member; Brian R. Green, professional staff member; William C. Greenwalt, professional staff member; Ambrose R. Hock, professional staff member; Gregory T. Kiley, professional staff member; Patricia L. Lewis, professional staff member; Lynn F. Rusten, professional staff member; and Richard F. Walsh, counsel.

Minority staff members present: Richard D. DeBobes, Democratic staff director; Daniel J. Cox, Jr., professional staff member; Madelyn R. Creedon, minority counsel; Evelyn N. Farkas, professional staff member; Richard W. Fieldhouse, professional staff member; Creighton Greene, professional staff member; Jeremy L. Hekhuis, professional staff member; Maren R. Leed, professional staff member; Gerald J. Leeling, minority counsel; and Peter K. Levine, minority counsel.

Staff assistants present: Leah C. Brewer, Andrew W. Florell, and Sara R. Mareno.

Committee members' assistants present: Dan Twining, assistant to Senator McCain; James Beauchamp, assistant to Senator Roberts; Lance Landry and Jayson Roehl, assistants to Senator Allard; Arch Galloway II, assistant to Senator Sessions; James P. Dohoney, Jr., assistant to Senator Collins; Clyde A. Taylor IV, assistant to Senator Chambliss; Christine O. Hill, assistant to Senator Dole; Russell J. Thomasson, assistant to Senator Cornyn; Sharon L. Waxman and Mieke Y. Eoyang, assistants to Senator Kennedy; Erik Raven, assistant to Senator Byrd; Elizabeth King, assistant to Senator Reed; Davelyn Noelani Kalipi and Richard Kessler, assistants to Senator Akaka; William K. Sutey and Caroline Tess, assistants to Senator Bill Nelson; Eric Pierce, assistant to Senator Ben Nelson; Todd Rosenblum, assistant to Senator Bayh; Andrew Sha-

piro, assistant to Senator Clinton; and Terri Glaze, assistant to Senator Pryor.

OPENING STATEMENT OF SENATOR JOHN WARNER, CHAIRMAN

Chairman WARNER. Good morning. The committee meets this morning to receive the testimony of Ambassador Paul Bremer, Presidential Envoy to Iraq, and General John P. Abizaid, Commander, U.S. Central Command.

We extend to you a very warm welcome, Mr. Ambassador. While we may have differences among us with regard to policy issues, I think you're setting somewhat of a record in the United States Congress for the number of hearings and appearances. Monday, you appeared before a committee, three committees yesterday, three today. That's seven, plus I think three other briefings. But not only is it a reflection on the depth of knowledge that you have, which you're sharing with Congress, it's also a reflection on the leadership on both sides of the aisle of both houses that are trying to lay before the respective bodies and Congress, as a whole, a body of fact on which we hopefully proceed early next week to have a full and thorough debate and passage of this matter.

General Abizaid, you've taken leave of your forces in Central Command, but the urgency of your appearance justifies that, and we commend you and those under you in your command, particularly their families here at home, for the extraordinary courage and staying power that they've manifested throughout this.

We're pleased to have both of you here today, together with Mr. Korologos. Mr. Korologos has been Ambassador Plenipotentiary throughout this whole matter, and we welcome him.

The timelessness and importance of this hearing in the wake of President Bush's forceful speech to the United Nations (U.N.) on Tuesday cannot be overstated. The stakes, not only Iraq, but, indeed, Afghanistan, are enormous. The military victories—and, indeed, they were military victories—achieved by our Armed Forces are not complete as yet. Certainly initial goals were achieved on the military side. We did that with coalition partners. We must now secure the advancements that have been made.

While America is watching this hearing and the other hearings—indeed, the whole world is focused on them—they're watching to see if America has the staying power to complete its mission. I feel we do. I know you, Ambassador, and I know you, General, likewise feel we do.

We've achieved these successes in a relatively short period. Saddam Hussein has been deposed, his ruthless regime deposed, and I have not heard anyone raise their voice to say we'd be better off had we not done that. We must, though, through deliberations and actions in the days ahead on President Bush's emergency supplemental request, send another strong message of bipartisan resolve to our fellow countrymen here in America, to our troops, to our coalition partners, to the rest of the world. We'll stay the course and get the job done.

It is part of the oversight responsibility of this committee to review ongoing military operations and other significant activities undertaken by the Department of Defense (DOD). This is the fifth

hearing in a series of hearings this committee will conduct, along with countless briefings and updates we receive, to review the conduct of Operation Iraqi Freedom and to understand the challenges that lay ahead of us in the future operations.

The hearing is also part of a unique process. This week alone, three Senate committees and a like number of House committees will conduct hearings on this subject and provide a body of fact to Congress. This is, I think, unprecedented.

Twenty-four months ago, terrorists turned New York City and the Pentagon and a lonely field in Pennsylvania into battlefields, terrorizing all the world and forever changing our sense of security. War against terrorists and those who support them became essential. This Nation, under the leadership of our President, responded, as did our coalition partners. America didn't ask for this war, but we have acted appropriately to defend our Nation and to prevent future terrorists from reaching our shores or from attacking our interests and friends abroad.

As the President stated so eloquently on September 14, "And for America, there will be no going back to the era before September 11, to false comfort in a dangerous world. We are fighting the enemy in Iraq, in Afghanistan, so that we do not meet him again on our own streets here in the USA."

The choices involved in prosecuting this global war have been difficult. Not all nations have agreed. But I applaud our President for reaching out, as he has done this week and continues to do, not only in the U.N., but elsewhere. We invite their participation. If we, together with those who join us, succeed, we will have done this region of the world a whole change of direction towards freedom and some measure of democracy for their peoples.

The decision to confront Saddam Hussein was made not without careful deliberation, extensive diplomacy, and substantial efforts to find a peaceful solution. By the time U.S. troops crossed into Iraq on March 19, it had been the conclusion of three consecutive administrations of our Government, countless other nations, and the U.N., that Saddam Hussein's Iraqi regime had used weapons of mass destruction (WMD), had threatened them against others, neighboring countries, and represented a clear and present danger to regional and world peace.

It had been the conclusion of the Clinton administration that Saddam Hussein had stockpiles of WMD, was actively seeking more, and would ultimately use them. The U.N. Security Council had passed 17 resolutions dating back to 1991, 12 years, which required full Iraqi cooperation in the disarmament of WMD. Saddam Hussein's response was defiance, deception.

October 2002, after an unprecedented amount of debate, the Senate voted, 77 to 23, to authorize the President to utilize force in Iraq. The House of Representatives also voted overwhelmingly in favor of authorizing the use of force. By that act, it became our war, and the American people's war, not the President's war.

At this critical juncture, it is our responsibility to continue to support the President in this operation, which we overwhelmingly supported, and to provide the resources necessary for him to finish the job, together with our coalition partners.

American Armed Forces, together with coalition partners, achieved extraordinary rapid military success in Iraq with minimum casualties and damage. This is a clear tribute to the professionalism and the dedication of our young men and women in uniform and those who support them. We have succeeded in ridding the world of a brutal tyrant and have revealed the extent of his barbarism. We should be congratulating our President and our Armed Forces on a job well done, and I so do this morning.

Despite the pockets of resistance in Iraq, that feeling of gratitude and goodwill toward the United States seems to grow. A Gallup Poll conducted earlier this week found that 62 percent of Iraqis believe that ousting Saddam Hussein was worth the hardships they have endured since the invasion, and two-thirds think Iraq will be in better condition 5 years from now, before that invasion. That will be a direct result of your efforts, Mr. Ambassador, and those of the Armed Forces of the United States under our military commanders and the coalition partners. We must build on this goodwill and seize this historic opportunity to help build a thriving democracy, an ally against terror in Iraq.

American forces and coalition partners have already done a remarkable job restoring basic services, and I think if there's anything that's been understated, Mr. Ambassador—and you have that opportunity this morning—you had a plan. Do not be reserved in telling us, in your judgment, how closely you've achieved the goals of that plan: ending ethnic violence, creating an environment where reconstruction can succeed. Most members of this committee have seen this with their own eyes, and the response of most members who have been to Iraq is concern for the good things that are taking place in Iraq and are not somehow getting that message out, not only to our people, but to the Iraqi people.

This reconstruction work is being done in a difficult environment of harsh conditions and significant risk. Those who have been removed from power seek to delay their inevitable defeat and, as terrorists, lash out. We're ever mindful of the risk of our forces, General Abizaid, every day, and the sacrifices made by their families and communities that support them.

What is the best way to reduce U.S. casualties and create better conditions for eventually withdrawing our forces? That's the question before this committee. In my judgment, the key is to improve the security situation in Iraq by restoring essential services, recruiting and training dependable Iraqi security forces, and repairing the infrastructure so that real economic growth opportunity can once again grow. The emergency supplemental request before this body, of $87 billion, submitted by President Bush specifically addresses that goal. That is why it merits our support.

It is imperative that we give our President and our troops the resources they need to complete their missions, both in Iraq and Afghanistan. The faster money gets to these sources, the faster conditions will improve, and the faster our troops will have the opportunity to come home. I hope you, with specificity, address, as best you can, the schedules that you contemplate as it regards this particular bill and the monies in it.

Lasting peace and security will be achieved when we establish the environment for a democratic, economically viable Iraq. The

first steps to democracy have been taken, and a fledgling government is preparing itself to assume the responsibilities of sovereignty.

Senator Levin and I and other Senators had the opportunity early this week to meet with two ministers, one in charge of electricity, the other, water, both vital to this infrastructure. I, myself, was greatly impressed with the credentials of their background, their professional training. One had left his family, as so many—you, yourself, and other members of your team left your families—to go and literally volunteer to let this nation once again take its rightful place in the world community. So I commend them, and I commend you.

You will talk today about the Marshall Plan, which brought peace and prosperity to a war-ravaged continent. I think that's an important historical precedent. The modest investment has been repaid a hundred times over. The funding we are now being asked to provide is an equally important investment that will likewise be repaid many times over in the decades to come.

You have my support. I wish you well.

Senator Levin.

STATEMENT OF SENATOR CARL LEVIN

Senator LEVIN. Thank you, Mr. Chairman.

First, let me join you in welcoming Ambassador Bremer and General Abizaid to our committee this morning. We appreciate what you and those who work with you, particularly those on the ground in Iraq, are attempting to do, at great personal risk and under very different and very difficult circumstances.

It is clearly in our national interest for democracy and stability to be successful in Iraq. For this to happen, the stabilization and reconstruction effort needs to become much more of an international effort. Achieving this will lower the risk to our military personnel, both by sharing that risk and by changing the nature of the effort from a U.S.-dominated occupation, where the United States is identified and visible as a target, to an internationally-supported transition to a new Iraqi Government. Internationalizing the effort is also the only way that the cost of reconstruction can be shared with other countries so that the burden is not carried so exclusively by U.S. taxpayers. We will be able to leave Iraq sooner, rather than later, the sooner that we internationalize the effort.

Recent experiences in other settings illustrate that point. In Bosnia, for example, the 1,800 U.S. troops constitute approximately 15 percent of the 12,000 total NATO Stabilization Force, and the Police Task Force to which we contributed financially and with manpower has now been replaced by a European Union Police Mission. In Kosovo, the roughly 3,000 U.S. troops make up about 11 percent of the 27,000 total NATO-led Kosovo force, and the U.N. mission in Kosovo runs the civilian side of the effort there. The United States pays only 25 percent of the cost of the U.N. mission, and the European Union carries most of the burden of reconstruction.

While I was pleased that President Bush went to the U.N. this week, I was disappointed that the President seemed to so severely limit the possible role of the U.N. in Iraq to assisting, "in developing a constitution and training civil servants and conducting free

and fair elections." In the aftermath of other conflicts, and even at times when, as in Iraq, the conflict is continuing, the U.N. has been responsible for post-conflict reconstruction, for the conduct of civil administration, for the supervision of civil administration, and for executive responsibility for police and the judiciary.

A number of nations have made it clear to us for months, that their willingness to provide troops for Iraq or to contribute financially to Iraq's reconstruction depends on the U.N. being given a key role in Iraq. U.N. Secretary General Kofi Annan told me earlier this month when I met with him in New York that the U.N. will need to have broad functions in the reconstruction and political development effort if we are going to have a realistic hope of persuading other key countries to join in the effort. The President's apparent reluctance to grant a meaningful decisionmaking role for the U.N. in Iraq's reconstruction means, I fear, that we will not succeed in acquiring the troops and financial resources from other countries that we seek.

What is necessary is not just a vague U.N. resolution of support, but a resolution assuring real power-sharing with the international community over the civil administration and reconstruction effort that results in additional nations, including Muslim nations, joining this effort.

There are a great many other very serious issues that Congress must address concerning the administration's $87 billion supplemental request. Some are life-and-death issues affecting how long our troops will be in Iraq and at what risk. Some will have a long-term impact on our taxpayers and on our deficit. Others are transcendent issues relative to how a democratic nation can be built and sustained in Iraq in the current circumstances.

There is no reasonable way that these issues can be adequately thought through, much less properly worked through, by next week, as the Majority Leader currently plans, despite urgent and repeated requests by the Democratic leadership and Democratic members for additional hearings. We take months to consider far less significant matters. The massive and unprecedented $87 billion request has been before us for just 2 weeks.

Some have compared the Iraq reconstruction effort to the Marshall Plan that led to the reconstruction of Europe after World War II. In fact, the differences between the current proposal and the Marshall Plan are dramatic. For instance, the Marshall Plan required countries receiving assistance to contribute a matching amount to their own reconstruction, and also included loans that were eventually paid back. Neither of these important requirements are present in the Iraqi reconstruction request of the administration.

There is one aspect in which the Marshall Plan analogy can be helpful. When the legislation went to the floor of Congress, Senator Arthur Vandenberg of Michigan, the chairman of the Senate Foreign Relations Committee and one of the architects of our bipartisan World War II foreign policy, called the Marshall Plan, "the final product of 8 months of more intensive study by more devoted minds than I have ever known to concentrate on any one objective in all my 20 years in Congress."

We don't need to study the request before us for 8 months, but we certainly owe it to the people that we represent, to our military members serving overseas in harm's way, and to the institution in which we serve, to give the $87 billion request more than a 2-week, slap-dash, lick-and-a-promise review.

When it comes to the portion of the supplemental request which supports our troops, there should be no issue. Our troops must be, and they will be, supported.

But when it comes to the request for tens of billions of dollars for the building of an Iraqi nation, the answers, and, indeed, the questions, are far more complex.

Should a timeline be established for Iraqis to assume responsibilities for their own safety and security?

What are the administration's goals for Iraq's economic reconstruction?

What is the timeline and what are the costs to meet those goals, including a detailed plan for the restoration of basic services, an estimate of the costs and percentage to be borne by the United States and the percentage to be borne by other countries?

What is the timeline to meet the administration's goals for Iraq's political reconstruction, including the adoption of a constitution, the holding of elections, and the establishment of an elected government with broad public support?

What is the likelihood that the administration will be able to assemble a broad international coalition to address the military, economic, and political needs of Iraq? How does that affect the need for the $87 billion request before us?

Why shouldn't Iraq invest more in its own future by pledging some of its future oil revenues to the building of its nation? Put more bluntly, isn't it essential that the people of Iraq want to become a unified and secure nation badly enough that they are willing to make that pledge and that financial commitment now to help raise funds now for reconstruction costs, and not simply be the recipient of financial assistance? Would it not be an important step towards independence and self-reliance for the Iraqis to make the same pledge of their "fortunes" that the founders of our Nation made in 1776?

How do we ensure competition in awarding contracts for reconstruction projects, and transparency in budgeting and expenditure of U.S. taxpayers' funds?

These and many other questions need careful and thoughtful consideration by Congress. Getting answers to probing questions on the reconstruction funds is not aimed at shirking our responsibility, but at fulfilling our responsibility. That is what our constituents sent us here to do. That is the job that they expect us to do, and there is no way we can do that job properly in 2 weeks.

The issue is not whether we are willing to spend enough to defend America. Of course we all are. The issue is whether the huge amount requested for an American reconstruction effort doled out by an American administrator, an effort that will be seen in some parts of the world as perpetuating an American occupation of Iraq, will make our troops more or less secure, and make their job of stabilizing Iraq more or less difficult. We have expended huge amounts of blood and treasure already. Will the additional $87 bil-

lion requested by the administration effectively reduce our future sacrifice, or will it be lost in a deepening and downward spiral of civil disorder and chaos?

I hope that thoughtful congressional consideration of this reconstruction request can lead to sharing the burden with other countries, who will benefit from a secure and democratic Iraq, and to reducing the risk of American troops being drawn more and more deeply into a jihad-type guerrilla war against Western occupiers.

We should take the time to do this right and to do it on a bipartisan basis. These times and the threats surely call for that.

Thank you, Mr. Chairman.

Chairman WARNER. Senator Levin, thank you.

I'd like to ask the committee if we could digress for a moment, that we have a quorum, as we have a number of promotions relating to the Armed Forces of the United States.

I observe a quorum now present. I ask the committee first to consider the nomination of Gordon R. England to be Secretary of the Navy. His nomination has been before the committee the required length of time, and no objections have been raised regarding it. We had a thorough hearing on Tuesday.

Is there a motion?

Senator LEVIN. So moved.

Senator INHOFE. Second.

Chairman WARNER. All in favor, say aye.

[A chorus of ayes.]

Opposed?

[No response.]

Next, I ask the committee to consider a list of 5,552 military nominations. Again, no objection has been raised among the committee members regarding these nominations. However, I must inform the committee that 705 of these appointments, all for officers below the rank of brigadier general or rear admiral lower half, were not received by the committee until September 22 due to the Federal Government being closed last week. Under the committee's 7-day rule, these 705 officers would not be eligible for consideration unless the committee provided a waiver.

Monday, in my view, would be not fair for the promotion of any of these officers to be delayed when they would have been eligible had we not had the storm conditions. Therefore, I ask that we now waive the 7-day rule with regard to those nominations.

Senator LEVIN. So moved.

Senator INHOFE. Seconded.

Chairman WARNER. All in favor, say aye.

[A chorus of ayes.]

Opposed?

[No response.]

The full slate of nominations have now been acted upon favorably by the committee. I thank my colleagues very much.

Listening to not only the comments this morning by us, but there's a chapter in history that always interests me about the Marshall Plan. Truman is reputed to have said that he was concerned that Congress would not pass this plan. He turned to George Marshall, and he said, "Let's name it the Marshall Plan.

It'll go through." Perhaps we should refer to this as the Abizaid plan.

Here we go.

Mr. Ambassador, would you lead off?

STATEMENT OF HON. L. PAUL BREMER III, PRESIDENTIAL ENVOY TO IRAQ

Ambassador BREMER. Thank you, Mr. Chairman. Members of the committee, thank you for the opportunity to appear in behalf of the President's supplemental.

Before I begin, I, like you, Mr. Chairman, want to pay tribute to the fine young men and women in our Armed Forces, who led a coalition to a military victory without precedent. In roughly 3 weeks, they defeated a country larger than Germany and Italy combined, and they did so with forces smaller than the Army on the Potomac, a point I make with all respect to the chairman for bringing up memories.

[Laughter.]

Chairman WARNER. I hear you.

Ambassador BREMER. Mr. Chairman, I know that you, like all Members of Congress, hate to wake up to the news that another American serviceman has been killed in Iraq. These deaths are painful. I hear about them often before you do, because I'm eight time zones ahead of you. The deaths, although they're painful, are not senseless. They are part of the price we pay for fighting for civilization, for being part of a world that refuses to tolerate terrorism and genocide and WMD.

Those who ambush Coalition Forces, who set truck bombs, and who assassinate people like the deceased member of the Governing Council, are trying to thwart constitutional and democratic government in Iraq. They will win some battles, Mr. Chairman, but they're going to lose their war with history.

President Bush's vision for Iraq envisages an Iraq that is secure through the efforts of the Iraqis. It provides for an Iraqi economy based on sound economic principles and bolstered by a reliable infrastructure. Finally, the President's plan provides for a democratic and sovereign Iraq at the earliest reasonable date.

The stakes couldn't be higher. If we fail to recreate Iraq as a sovereign democracy sustained by a solid economy, we will have handed the terrorists a gift. We must deny terrorists that gift of state sponsorship, which they enjoyed under Saddam, and we just deny them the chaos such as they thrived on in the 1980s in Lebanon. Creating a sovereign, democratic, constitutional, and prosperous Iraq deals a blow to terrorists. It gives the lie to those who describe us as the enemies of Islam, the enemies of Arabs, or the enemies of the poor. That's why the President's request has to be seen as an important part of the global war on terrorism.

Mr. Chairman, many of you have pointed out our national experience teaches us how to consolidate a military victory. This was a lesson we did not learn at the end of the first world war. Many here opposed that war and wanted to solve problems at home. We won the war, but we did not consolidate the peace, and we know what price we paid. Extremism bred in a swamp of despair, bank-

ruptcy, and unpayable debts gave birth to a world of fascism in Italy, Nazism in Germany, and another world war.

After that conflict, America showed that we had learned that military victory must be followed by a program to secure the peace. In 1948, America's "greatest generation" responded with the boldest, most generous, and most productive act of statesmanship in the last century, the Marshall Plan.

When George Marshall first described the Marshall Plan at Harvard, he laid out some truths that resonate, anyway to me, today. He said, "Its purpose should be the revival of a working economy so as to permit the emergence of political and social conditions in which free institutions can exist." The emergence of political and social conditions in which free institutions can exist.

The Marshall Plan, enacted with overwhelming bipartisan support by this Congress, sent war-torn Europe on the path to the freedom and prosperity which Europeans enjoy today. After a thousand years as the cockpit of war, Europe became the cradle of peace in two short generations.

A similar opportunity for transforming the region lies before us in Iraq. The grants to Iraq the President seeks bespeak a grandeur of vision equal to the one which created the free world at the end of the second world war. Iraqis living in freedom with dignity will set an example in this troubled region which so often spawns terrorists. A stable, peaceful, economically productive Iraq will serve American interests by making Americans safer.

I'd like to make just a few points about the supplemental request. In response to several comments, we do have a definite plan, with milestones and dates. Second, no one part of this supplemental is more important than any other part. It is an integrated request. Third, this request is urgent. The urgency concerning military operations is self-evident, but the funds for non-military action in Iraq are equally urgent.

Most Iraqis welcomed us as liberators. As you pointed out, Mr. Chairman, a just-released Gallup Poll shows that almost two-thirds of the Iraqis continue to say that getting rid of Saddam makes the sacrifices of the war and the aftermath worthwhile.

Even so, the reality of foreign troops on the street is understandably chafing. Some Iraqis are beginning to regard us as occupiers and not liberators. Some of this is inevitable, but faster progress on reconstruction can help stem the tide.

The link to the safety of our troops is indirect, but real. It is true that the people who ambush our coalitions are small in number, and they're not ambushing because they don't have adequate electrical power, but the population's view of the United States and the coalition is directly linked to their cooperation in hunting down those who attack us and giving us, in a word, good intelligence. Early progress on restoring basic infrastructure gives us an edge against the terrorists.

This money will be spent with prudent transparency. In answer to the question that Senator Levin raised, every contract of the $20 billion requested for Iraq will be competitively bid.

Mr. Chairman, I know there's been some talk of granting some parts of this as a loan. Initially, this may appear attractive. But, once again, I'm afraid the facts and historic experience intrude.

The facts are that the Iraqi people have a debt of more than $200 billion hanging over them, a debt incurred by Saddam's economic incompetence and by his wars of aggression against his neighbors—$200 billion. They cannot pay that debt, they can't even service it, and it makes no sense to lay more debt on top of them, again, a lesson that we should have learned from the aftermath of the first world war.

The President's first priority in this supplemental request is security, and it has three elements, most of which you and the other Members heard about when you came to visit in July. First, public safety, money for the police to get a professional, well-trained police, respectful of human rights, onboard; funds for border police and border enforcement. Second, a national defense element, which involves standing up a new Iraqi army as quickly as we can, and a civil defense system. Third, a justice system so that when criminals are caught, there are courts and prisons to look after them.

This security assistance benefits the United States in four concrete ways. First, Iraqis will be more effective collecting the important intelligence than we can be. As talented and courageous as Coalition Forces are, they can never replace an Iraqi policeman who knows his beat, who knows his people, their customs, their language, and their rhythms. Iraqis have asked repeatedly to play a greater role in providing their security, and we agree, they should.

Second, as these Iraqi security forces assume their duties, they replace Coalition Forces in some of the roles that generate frustration, friction, and resentment, things like conducting searches, manning checkpoints, and guarding installations.

Third, this frees up Coalition Forces for the mobile sophisticated offensive operations against former regime loyalists and terrorists, for which they are best suited.

Finally, Mr. Chairman, building up these new Iraqi forces reduces the overall security demands on Coalition Forces and can speed up the day when we can bring our troops home.

Security is, of course, indispensable, but it's not enough. A good security system cannot persist on the knife-edge of economic collapse. Saddam left behind an economy ruined, not by our attacks, but by decades of neglect, theft, and mismanagement. In 35 years, he never once prepared a national budget.

The Iraqis must refashion their economy from the Soviet-style command economy Saddam left behind. That poor model was further hobbled by cronyism, theft, and pharaonic self-indulgence by Saddam and his intimates.

Members of the committee saw a number of the palaces in Baghdad. I can tell you, those palaces exist in every single city in the country.

The good news is that important changes have already begun on the economic front. As many of you know, on Sunday, at the annual meeting of the World Bank and the IMF in Dubai, the Minister of Finance announced a bold and sweeping set of economic reform programs, the most open program for foreign direct investment of any country in the region, a new Central Bank law which establishes complete independence for the Central Bank, a tariff policy which is simple. It's zero, except for a temporary 2-year 5

percent tariff, called a reconstruction tariff, to raise funds for the Iraqi Government. On October 15, we will introduce a new currency to Iraq. For the first time in 20 years, there will be a unified currency. That currency will float against the world's currencies.

Mr. Chairman, the Iraqi Government, by taking these steps, has put in place the legal infrastructure necessary to create a vibrant private sector, but those policies will come to nothing if they don't rest on a sound economic infrastructure in a reasonable security environment.

We've made significant progress in restoring these essential services. The widely predicted humanitarian crisis did not occur. There was no major flow of refugees. You spoke about our plan, Mr. Chairman. All 240 hospitals and 90 percent of its health clinics are open today. All of the schools finished their school year. All 22 universities in Iraq held final exams in late May and early June, despite the difficult circumstances, and they will reopen again in a few weeks. There is an adequate food supply, and there is no evidence of epidemic. We have cleared thousands of miles of irrigation canals. Electric service will reach prewar levels within a month.

But there are remaining demands that are vast, and that is why most of the President's non-military, non-security assistance is focused on critical infrastructure.

The third major element of our overall strategy is to move towards a democratic Iraq. Here, too, Mr. Chairman, there's good news.

We have laid out a seven-step process for Iraq to return to full sovereignty through elections. Three of the seven steps have already been taken. Governing Council took office on July 13. The second step was then when they appointed a committee to make recommendations to them on how to write a constitution. The third step was the appointment of the cabinet on September 2. You met, and some other Members met, two of the very impressive members of this cabinet when they were here earlier this week.

I might say, Mr. Chairman, that an Iraqi friend pointed out to me last week that this is the best-educated, most qualified cabinet in Iraq's history. As I probed a bit, I learned that 17 of the 25 cabinet members have PhDs, which makes them probably the best-educated cabinet anywhere in the world. These are not just PhDs in subjects, like I'm an expert in, in history; these are PhDs that actually really count. The Minister of Agriculture is a professional agronomist. The Minister of Water Resources is a hydrologist. The Minister of Electricity, whom you met, has almost 30 years experience running power companies. They are a very competent group of people, and they have lots of responsibility.

The remaining steps on the path to Iraqi independence and sovereignty are to write a constitution. We hope a constitutional convention will convene shortly, in the next month or so. That constitution will have to be ratified by the Iraqi people, the fifth step. An ultimate step will be holding of free elections. Finally, the seventh step is when the Coalition Provisional Authority (CPA) hands sovereignty back to the Iraqi people. No one looks forward to that day more than I do, except perhaps my wife.

Some, including a few members of the Iraqi Governing Council, suggest we should give full sovereignty to an Iraqi Government im-

mediately, or anyway very soon. Mr. Chairman, I believe that such haste would be a mistake, and so do the Iraqi people. The same Gallup Poll I cited earlier shows that 85 percent of the people of Baghdad believe that an immediate departure of Coalition Forces would lead to chaos. No appointed government, even one as honest and dedicated as the Iraqi Governing Council, can have the legitimacy necessary to take on the difficult issues the Iraqis face as they write their constitution, elect a government, and, I might add, undertake a major economic reconstruction effort. The only path to full Iraqi sovereignty is through a written constitution, ratified and followed by free democratic elections. Shortcuts are potentially dangerous.

As you examine the President's plan, as I hope you will, I'm sure you'll see that every part is connected to the others. The need to protect the coalition and the Iraqi people alike against terrorists and common criminals is obvious. The United States must take the lead in restoring Iraq as a friend and democratic model.

There is, as you have mentioned, a donors conference in Madrid in late October, and we, the United States, must set the example before then and work to show that we must avoid together the near anarchy in which terrorists will feel right at home.

Mr. Chairman, make no mistake, these requested funds represent an investment in America's national security. If, after coming this far, we turn our backs and let Iraq lapse into factional chaos, we will have sown the dragon's teeth, will sprout more terrorists and eventually cost more American lives in Iraq or even here at home.

You may think I exaggerate, but I ask you to look at what happened in Afghanistan, another country which, after it was debilitated by decades of war and mismanagement, became easy prey to the Taliban and al Qaeda.

The reconstruction of Iraq may seem distant from American concerns today. Eight time zones and two continents separate where we are on the East Coast from Iraq. The West Coast is effectively half a world away. But Iraq only seems far away.

Today, Iraq has become a focal point in the global war on terrorism, a point I make with some trepidation, because it means we are on the front line of the global war on terrorism. But failure there would strengthen terrorists morally and materially. Mr. Chairman, I think you said in your opening remarks, it is extremely important for the world to understand that we have the staying power to see this through. All of this requires the combined support of the American people and of both parties in Congress. This is a large, serious, important, and urgent matter. It must be done quickly, and it must be done well.

Mr. Chairman, members of the committee, I look forward to answering your question in support of this request.

[The prepared statement of Ambassador Bremer follows:]

PREPARED STATEMENT BY AMB. L. PAUL BREMER III

Mr. Chairman and members of the committee, thank you for this opportunity to discuss the President's supplemental request.

Before I begin, I want to pay tribute to the men and women of our armed services. Leading a coalition, our Armed Forces delivered a military victory without precedent.

In roughly 3 weeks they liberated a country larger than Germany and Italy combined. They did so with forces smaller than the Army of the Potomac.

Our Armed Forces accomplished all this while absorbing and inflicting minimal casualties. Iraqis understood that we tried to spare the innocent.

Mr. Chairman, I know that you and all Americans hate waking up to hear a newscast that begins, "Last night another American soldier was killed in Iraq. . ." I am among the first to know of those deaths and no one regrets them more than I do.

But these deaths, painful as they are, are not senseless. They are part of the price we pay for civilization, for a world that refuses to tolerate terrorism and genocide and WMD.

Those who ambush Coalition Forces, who set the truck bombs, are trying to thwart constitutional and democratic government in Iraq. They will win some battles, but they are going to lose their war with history.

President Bush's vision provides for an Iraq made secure through the efforts of Iraqis. It provides for an Iraqi economy based on sound economic principles and bolstered by a reliable infrastructure. Finally, the President's plan provides for a democratic and sovereign Iraq at the earliest reasonable date.

If we fail to recreate Iraq as a sovereign democracy sustained by a solid economy, we will have handed the terrorists a gift.

We must deny terrorists the gift of state sponsorship, which they enjoyed under Saddam, and must deny them the chaos such as they thrived in during the 1980s in Lebanon.

But creating a sovereign, democratic, constitutional and prosperous Iraq deals a blow to terrorists. It gives the lie to those who describe us as enemies of Islam, enemies of the Arabs and enemies of the poor.

That is why the President's request has to be seen as an important element in the global war on terrorism.

Our national experience teaches us how to consolidate a military victory.

We did not have that experience when we emerged victorious from World War I. Many had opposed the war and wanted to solve problems at home. We won the war and did not consolidate the peace.

We know what happened. Extremism, bred in a swamp of despair, bankruptcy and unpayable debts, gave the world Fascism in Italy and Nazism in Germany—and another World War.

After that conflict we showed we had learned that military victory must be followed by a program to secure the peace.

In 1948 the greatest generation responded with the boldest, most generous and most productive act of statesmanship in the past century—the Marshall Plan.

When Secretary of State George C. Marshall first described the Marshall Plan, he laid out some truths that resonate today.

"Its purpose," Marshall said, "should be the revival of a working economy . . . so as to permit the emergence of political and social conditions in which free institutions can exist."

The Marshall Plan, enacted with overwhelming bipartisan support, set war-torn Europe on the path to the freedom and prosperity which Europeans enjoy today. After a thousand years as a cockpit of war Europe became a cradle of peace in just two generations.

The grants to Iraq the President seeks bespeak grandeur of vision equal to the one which created the free world at the end of World War II.

Iraqis living in freedom with dignity will set an example in this troubled region which so often spawns terrorists. A stable, peaceful, economically productive Iraq will serve American interests by making America safer.

There are some things I would like to point out about this supplemental request:

- We have a definite plan with milestones and dates.
- No one part of the supplemental is dispensable and no part is more important than the others.
- This is urgent. The urgency of military operations is self-evident. The funds for nonmilitary action in Iraq are equally urgent. Most Iraqis welcomed us as liberators. Now the reality of foreign troops on the streets is starting to chafe. Some Iraqis are beginning to regard us as occupiers and not as liberators. Some of this is inevitable, but faster progress on reconstruction will help.

The link to the safety of our troops is indirect, but real. The people who ambush our troops are small in number and do not do so because they have undependable electric supplies. However, the population's view of us is directly linked to their co-

operation in hunting down those who attack us. Earlier progress gives us an edge against the terrorists.

- This money will be spent with prudent transparency. Every contract of the $20 billion for Iraq will be competitively bid.
- That the money be granted and not loaned is essential. Initially, offering assistance as loans seems attractive. But once again we must examine the facts and the historical record. Iraq has almost $200 billion in debt and reparations hanging over it as a result of Saddam's economic incompetence and aggressive wars. They cannot pay what they owe now, much less take on more debt.

The President's first priority is security and he has a three-element plan.

- Public safety—police, border enforcement, fire and a communications system to link them.
- National defense—a new army and civil defense system.
- Justice system—courts and prisons.

This security assistance to Iraq benefits the United States in four ways.

First, Iraqis will be more effective. As talented and courageous as the Coalition Forces are, they can never replace an Iraqi policeman who knows his beat, who knows his people, their customs, rhythms, and language. Iraqis want Iraqis providing their security and so do we.

Second, as these Iraqi security forces assume their duties, they replace coalition troops in the roles that generate frustration, friction and resentment—conducting searches, manning check points, guarding installations.

Third, this frees up Coalition Forces for the mobile, sophisticated offensive operations against former regime loyalists and terrorists for which they are best suited.

Finally, these new Iraqi forces reduce the overall security demands on Coalition Forces and speed the day when we can bring troops home.

Security is indispensable, but by itself is insufficient and cannot endure.

A good security system cannot persist on the knife edge of economic collapse. Saddam left behind an economy ruined not by our attacks but by decades of neglect, theft and mismanagement—he never once prepared a budget.

The Iraqis must refashion their economy from the Soviet-style, command economy Saddam left them. That poor model was further hobbled by cronyism, theft and pharaonic self-indulgence by Saddam and his intimates.

Important changes have already begun.

The Iraqi Minister of Finance on Sunday announced a set of market-oriented policies that is among the world's boldest.

Those policies include:

- A new Central Bank law which grants the Iraqi Central Bank full legal independence.
- Foreign firms may open wholly owned companies, including banks, or buy them. Foreign firms receive national treatment and have an unrestricted right to remit profits and capital.
- Tariff policy is simple. There is a 2-year "reconstruction tariff" of 5 percent on most imports and the rest come in with no tariff.
- On October 15, Iraq will get a new currency, the New Dinar, which will float against the world's currencies.

The Iraqi Government has put in place these legal procedures for encouraging a vibrant private sector. But those policies will come to nothing if they do not rest on a sound infrastructure in a reasonable security environment.

We have made significant progress restoring these essential services. The widely predicted humanitarian crisis did not occur. There was no major flow of refugees. All of Iraq's 240 hospitals and 90 percent of its health clinics are open. There is adequate food and there is no evidence of epidemic. We have cleared thousands of miles of irrigation canals so that farmers in these areas have more water than they have had for a generation. Electrical service will reach prewar levels within a month.

However, the remaining demands are vast, which is why most of the President's request for nonmilitary assistance is for infrastructure programs.

On another front there is already good news. The democratization of Iraq, on which so much global attention is focused, is further advanced than many realize.

Encouraging a quick political transformation, we have laid out a clear, seven-step process leading to sovereignty. Three of the seven necessary steps have been completed:

1. An Iraqi Governing Council was appointed in July.
2. In August the Governing Council named a Preparatory Committee to recommend a mechanism for writing Iraq's new, permanent constitution.

3. Earlier this month the Governing Council appointed ministers to run the day-to-day affairs of Iraq.

4. The fourth step, writing a constitution, frames all that follows. The constitution will be written by Iraqis.

5. The constitution will be ratified by popular vote of the entire adult population.

6. After the constitution is ratified, elections for a new government will be held.

7. The final step will come after elections, when we transfer sovereignty from the coalition to the new government.

Some, including members of the Iraqi Governing Council, suggest we should give full sovereignty to an Iraqi Government immediately or very soon.

I firmly believe that such haste would be a mistake.

No appointed government, even one as honest and dedicated as the Iraqi Governing Council, can have the legitimacy necessary to take on the difficult issues Iraqis face as they write their constitution and elect a government.

The only path to full Iraqi sovereignty is through a written constitution, ratified and followed by free, democratic elections. Shortcutting the process would be dangerous.

As you examine the President's plan I am sure you will see that every part depends on every other part.

The need to protect the coalition and the populace alike against terrorists and common criminals is obvious and indispensable.

The United States must take the lead in restoring Iraq as a friend and democratic model. There is a donor conference in Madrid in late October. We must set the example for other nations of goodwill and work with them to avoid the near anarchy in which terrorists will feel right at home.

When we launched military operations against Iraq we assumed a great responsibility that extends beyond defeating Saddam's military.

If, after coming this far, we turn our backs and let Iraq lapse into factional chaos, we will have sewn the dragon's teeth which will sprout more terrorists and eventually cost more American lives. Make no mistake. These requested funds represent an investment in America's national security.

You may think I exaggerate. I ask you to look at what happened in Afghanistan, another country which, after it was debilitated by decades of war and mismanagement, became easy prey for the Taliban and al Qaeda.

The reconstruction of Iraq may seem distant from American concerns today. Eight time zones and two continents separate the east coast of the United States from Iraq. The west coast is effectively half a world away.

Iraq only seems far away. Today Iraq is a focal point in our global war on terrorism. Failure there would strengthen the terrorists morally and materially.

All of this requires the help of Congress.

Mr. Chairman and members of the committee we respectfully ask Congress to honor the President's supplemental request, which responds to urgent requirements in order to achieve the vision of a sovereign, stable, prosperous and democratic Iraq at peace with us and with the world.

Mr. Chairman, I welcome your questions.

Chairman WARNER. Thank you, Mr. Ambassador, for a very thorough and strongly delivered statement, with your own personal conviction resonating in every sentence.

General Abizaid.

STATEMENT OF GEN. JOHN P. ABIZAID, USA, COMMANDER, UNITED STATES CENTRAL COMMAND

General ABIZAID. Thank you very much, Mr. Chairman, Senator Levin, members of the committee. It's an honor to be here. It's an important opportunity to testify before you.

CENTCOM stands at the center of the global war on terrorism. We're at the heart of it. We have over 200,000 soldiers, sailors, airmen, and marines that are out there serving—in the east, all the way from Kyrgyzstan, to the west, in the Horn of Africa. They've had important tactical success in the past 2 years on the broader global war on terror, and they have, in conjunction with friendly

nations in the area, done much to help defeat and disrupt the terrorist threat. But there is much work that needs to be done in that broader war.

In both Afghanistan and Iraq, our troops are involved in combat operations to attain stability. In Iraq, our focus continues to be that of increasing Iraqi security capacity, looking for opportunities to integrate international forces into the coalition, building a stronger intelligence system to enable us to get actionable intelligence against the various enemies that we face there, building the infracture, and working an information campaign that tells the Iraqi people what we are doing, why we are doing it in order to bring them more strongly to the side of the coalition.

I've said on numerous occasions, and I know all of you know it, there is no strictly military solution to the problems in Iraq. We must move together hand in hand with the CPA and Ambassador Bremer. We must synchronize the power of the United States Government in diplomatic, economic, and political measures, along with the military, in order to achieve success. Our young people are capable and they're confident.

Much is made of my father's generation being the "greatest generation." But I would tell you the next-greatest generation is out there serving in the Central Command area and fighting and winning and representing the American people in an absolutely outstanding manner.

Their work will continue to be difficult, and it'll continue to be dangerous. We will need both patience and courage to see the mission through.

Likewise, the Iraqi people have shown great courage. Many of them serve with us day after day to make their country a better place. They have put their lives on the line in the battlefield, and they continue to show optimism about the future.

This battle for Iraq is a battle of moderation versus extremism. We have to give the Iraqis a chance to succeed. This supplemental is about giving our troops, the great people that work in the CPA, and Iraqis the tools necessary to succeed.

Mr. Chairman, it's an honor to be here. I look forward to your questions.

[The prepared statement of General Abizaid follows:]

PREPARED STATEMENT BY GEN. JOHN P. ABIZAID, USA

It is an honor to report to this committee on the situation and our actions in the CENTCOM Area of Responsibility. Our command is focused on three main priorities: defeating transnational terrorism and creating safe and secure environments in Iraq and Afghanistan. CENTCOM operates within the geographic and ideological heart of the global war on terror. It is a war without borders that spans all 25 countries in the region. There is no doubt that the war on terror is connected to our efforts in Afghanistan and Iraq. Success in Afghanistan and Iraq will result in stable states that do not harbor terrorists and provide a visible alternative to the terrorist vision of hatred and conflict.

The over 195,000 U.S. soldiers, sailors, airmen, and marines now serving in the CENTCOM Area of Responsibility are engaged in a wide range of activities, each of them critical to maintaining our national security. These include counterinsurgency, counterterrorist, stability, and civil affairs operations. Over 20 ships and 200 aircraft are sustaining our land forces and providing a potent deterrent to our adversaries. Our service men and women are also occupied with training exercises designed to increase our ability to operate with regional partners as well as enhance their military effectiveness. I visit our troops and their commanders frequently and they remain confident that we are winning the war on terrorism and

winning the peace in Iraq and Afghanistan. They are also realistic and understand that success will not come without cost or without the cooperation of local populations. Those of you who have visited the region understand the great strides our servicemen and women have made toward accomplishing our objectives. We all recognize, however, that there are no easy answers to the problems we face in the region. At CENTCOM we also know that, while we are the military centerpiece of our national security efforts in the region, none of the problems with which we are engaged will succumb to military force alone. Integrating our efforts with those of other agencies and ensuring that our operations advance our political objectives are essential to our success.

WAR ON TERRORISM

We have had good effect against terrorists throughout the Central Command Area of Responsibility. Our success has not been due to military actions alone. The United States Government, in cooperation with our regional partners, has killed and captured terrorists and attacked their infrastructure. CENTCOM is proud to have played a role in an effort marked by unprecedented cooperation between various agencies, regional partners, and members of the largest international coalition in history.

Despite remarkable victories, the fight against terrorism is far from over. The enemy's ideological base, financial networks and information networks remain strong. Indeed, the demographic and economic conditions that breed terrorists may be worsening and those conditions are heightening the ideological fervor associated with radical Islamist extremism. It is clear that we must continually reassess our efforts and improve our effectiveness.

We at Central Command, partnered as we are with many Islamic nations, recognize that the war on terrorism is not a war against Islam; it is a war against the enemies of Islam. It is not a war against religion; it is a war against irreligious murderers. Securing all of our futures depends mainly on collective action and international cooperation. Each of the three main Combined Joint Task Forces in our Area of Responsibility has an important role to play in the greater regional effort against terrorists. Through these task forces and Component Commands, we synergize theater cooperation efforts with other nations and build indigenous capabilities to combat terrorism and control borders. Central Command, our regional partners, and the 71 members of the Operation Enduring Freedom Coalition will remain on the offensive until terrorists no longer pose a threat.

IRAQ

In Iraq, our forces are working alongside the CPA to provide military capacity in our interagency and international efforts toward building a unified and stable country. The CPA's endstate for Iraq calls for a democratic and sovereign nation, underpinned by new and protected freedoms and a growing market economy, and made secure through the efforts of Iraqis—able to defend itself, but posing no threat to its neighbors or the international community.[1]

Coalition servicemen and women, alongside many Iraqi partners, are fighting our enemies and making progress toward a return of Iraq to the Iraqi people. While Iraqi police capacity still remains below requirements, joint coalition and Iraqi police operations are bringing to justice criminal gangs that have been preying on the Iraqi people. Neighborhood watch programs are springing up throughout towns and villages. Although large reconstruction projects will require considerable time and resources, military commanders are working with local townspeople to prioritize small reconstruction projects; thousands of these have been completed. Town and city councils are in place throughout the country. The first battalion of the new Iraqi army will graduate on 4 October and the second battalion begins training the next day; these soldiers are proud to be part of the new Iraq. The first 2,000 men and women of the Iraqi Civil Defense Corps are assuming security responsibilities alongside coalition soldiers. All this and more has been achieved in just over 4 months, despite the utter collapse of virtually every Iraqi institution. Our achievements, however, have not come without sacrifice, and there is more fighting ahead.

Iraq has tremendous potential, but the coalition and our Iraqi partners must defeat our enemies and overcome considerable obstacles before the future of Iraq is

[1] This more closely follows Amb. Bremer's testimony yesterday. It reads: "President Bush's vision, in contrast, provides for an Iraq made secure through the efforts of Iraqis. In addition to a more secure environment, the President's plan provides for an Iraqi economy based on sound economic principles bolstered by a modern, reliable infrastructure. Finally, the President's plan provides for a democratic and sovereign Iraq at the earliest reasonable date."

secure. While all but a very few Iraqis recognize the promise of freedoms they are enjoying for the first time—freedom to express their personal views, freedom to practice their religion, freedom from fear, freedom to determine their own destiny—there are those who would deny the Iraqi people the peace and prosperity they so richly deserve. We continue to experience attacks on Coalition Forces, our Iraqi partners, and infrastructure punctuated by larger high-visibility attacks to discredit the coalition, disrupt reconstruction, and cause unrest. While former regime loyalists remain the focus of our operations, extremists, foreign fighters and terrorist groups are emerging as a major threat to Iraqis, the coalition, and the international community. Criminal activity continues to frustrate reconstruction efforts and is the major source of instability in some regions. While our enemies are too weak to challenge us militarily, they believe that we do not possess the will to persevere in Iraq. They are wrong.

We are taking the fight to the enemy in Iraq. Attacks against our forces are localized in the Sunni areas and the city of Baghdad. Over 75 percent of violent incidents and sabotage have occurred in only 4 of the 18 provinces. The preponderance of the country, including Baghdad, has achieved a very high degree of security and stability. Iraqis are providing intelligence that permits us to kill or capture the enemy and preempt attacks.

We are focusing our efforts in five areas: improving intelligence, developing Iraqi security forces, internationalizing our security effort, protecting the infrastructure, and helping to communicate our aims, plans, and successes to the Iraqi people. We have also repositioned forces to concentrate our efforts in problem areas and establish a higher degree of control over Iraq's borders. In areas in which we achieve stability, we will disengage our forces and turn over security responsibilities to Iraqis while maintaining the capability to anticipate and respond rapidly to any changes in the situation. Later, as the new Iraq expands its security capacity, we intend to move our forces to less visible locations from which we can react to external threats and prepare to relinquish national defense responsibilities to the new Iraqi army.

Violence, of course, is not the only obstacle to progress in Iraq. We must maintain the consent of the Iraqi people. Popular disaffection sets conditions for instability. Disaffection stems from many sources including high expectations, high unemployment, a lack of essential services, suspicion of coalition motivations for liberating Iraq, residual fear of the Baath Party, and the sudden end to the former regime's patronage system. Our efforts to rebuild Iraq are connected to the security situation because general disaffection among the populace provides available manpower to those who are inciting (and paying for) attacks against Iraqis, the infrastructure and Coalition Forces.

We recognize that economic development, political development, and security are interdependent. Combined Joint Task Force–7 and CENTCOM are supporting fully the CPA's efforts in all areas. In addition to securing critical infrastructure alongside our Iraqi partners, two U.S. Army task forces, Task Force Restore Iraqi Oil and Task Force Restore Iraqi Electricity, are accelerating progress in restoring Iraq's failed oil economy—the financial engine to move Iraq forward—and providing the key enabler for all economic functions and public needs—electricity. Brigade commanders have partnered with Iraqis to complete over 8,000 reconstruction projects. Also, our commanders and civil affairs personnel worked with Iraqis to establish local and provincial councils as a foundation for regional and national governance.

Over the past 4 months, we have improved our understanding of the situation and identified what more needs to be done. We know what is working well and what areas require additional attention and resources. CENTCOM, Combined Joint Task Force–7, CPA, and our coalition partners are working together in accordance with our plans. We must remember, however, that the situation in Iraq is complex and dynamic; we are certain to encounter unforeseen difficulties and opportunities and we must remember that the future course of events depends not only on what we plan to do, but on enemy reactions and initiatives that are difficult to predict. We are resolved to reassess continually the situation, refine our plans, be prepared for contingencies, and refocus our efforts whenever necessary.

Our commanders and troops are optimistic and feel that we now have before us an opportunity to gain tremendous momentum. In the short term, we believe that if we and our partners commit resources to accomplish three things—restore basic services (especially power), build Iraqi security capacity, and improve our ability to communicate our plans and successes to the Iraqi people—we will accelerate progress in the next months.

AFGHANISTAN

The next year in Afghanistan, with the constitutional Loya Jirga in December and elections scheduled for June 2004, will prove critical to achieving peace and stability there. We have achieved much in Afghanistan, but there is much work that we, the coalition, and the Afghans have yet to accomplish. As in Iraq, there is no purely military solution to the problems we face there. We must simultaneously defeat our enemies, support the effort to establish representative government and set conditions for economic growth and long-term stability.

The enemy adjusted after the devastating losses inflicted on them since the initiation of Operation Enduring Freedom (OEF). Al Qaeda, Gulbiddin Hekmatyar's Hizb-e-Islami (HIG) and Taliban forces are conducting low-level guerrilla and terrorist attacks. Their attacks aim to obstruct reconstruction efforts and incite chaos. Al Qaeda and HIG terrorist activity pose the greatest threat in the northeast while Taliban remnants have shown signs of reorganization and continue anti-coalition/anti-Afghan operations in the southeast.

We continue to seek out and defeat Taliban and al Qaeda forces. Cooperation with the Pakistanis will disrupt further the enemy's ability to reorganize and conduct operations. The formation of the Afghan National Army (ANA) continues to be a success story as units demonstrate their professionalism and gain operational experience. Our conventional force in Afghanistan is small in comparison to the force in Iraq, but it is very effective due to its ability to conduct joint and combined operations. During a recent mission, Combined Joint Task Force–180 successfully brought together U.S. conventional, Special Operations Forces, air, Afghan National Army and Afghan Militia Forces against a long-known Taliban operational base.

Because political and economic initiatives will prove most important in maintaining stability in Afghanistan, we must ensure that our operations support those initiatives. The expansion of Provincial Reconstruction Teams from four to eight and the possibility that NATO might expand its security efforts beyond Kabul are particularly promising.

The most important person in Central Command is the young soldier, marine, sailor, or airman performing his or her mission on the frontline of freedom in the middle of the night. It goes without saying that our successes will continue to depend on the bright, talented, and courageous servicemen and women who are taking risks and making sacrifices to preserve liberty and protect our Nation. Our missions in Afghanistan, Iraq, and in the global war on terror are bound to entail additional risks and sacrifices. However, our airmen, sailors, marines, and soldiers understand, as we all do, that a lack of perseverance in any of our vital missions would lead to even greater risk and loss. When I talk with them they invariably express to me their belief that we "will either have to fight terrorists over here or fight them at home."

I want to thank this committee for your support to our men and women and for your oversight of the vital operations we are undertaking in Central Command.

Chairman WARNER. Thank you very much.

Colleagues, it would be the desire of the chair to try and achieve two rounds of questioning. We'll start with 5 minutes each on the——

[Audience interruption]

The committee will stand in recess until the Capitol Police can restore order. [Pause]

For those who may be interested, a similar incident occurred with this individual yesterday at another hearing, so we were prepared for this possibility.

I'd like to do 5 minutes a round, in the fervent hope that we can achieve two rounds for all of our members. I urge the clerk to start with the chair and make sure I stay within the 5 minutes. But I'd like not to be charged for that outburst.

General ABIZAID. Actually, it makes the Ambassador and I feel right at home.

[Laughter.]

Chairman WARNER. Yes.

First, Ambassador Bremer, each time I listen to you I develop a greater respect for your professionalism and the team that you're

with, recognizing so many of them have been uprooted very quickly. Like the men and women of the Armed Forces, you're all volunteers. A well-done to you, and, indeed, those of the coalition with whom you work.

On that point, I'd like to start off. The perception is given that this money will be under the control, if adopted by Congress, of yourself, but my understanding is that each day other departments and agencies of our Government and, indeed, the coalition partners, have a very strong voice in how these funds are utilized. Would you address that point?

Ambassador BREMER. Yes, that's correct, Mr. Chairman. I have on my coalition staff, now, representatives of 17 other countries. I have representatives from 15 executive branches here from Washington, and there are more coming. It is very much an integrated effort by not only the United States Government, but also coalition governments.

Chairman WARNER. Good.

On the question of the discussion by many—and, I must say, well-intentioned—Members of Congress with regard to structuring some type of security for the $21.3 billion part of this budget request, I don't know that there's a real precedent in history. I would hope that we could do further research on the comments made by my distinguished colleague here about the Marshall Plan and whether portions of that had some security interests. But what concerns me is, number one, you pointed out the first part, the debt now owed by Iraq, their total inability for the foreseeable future to do anything about that. There is no legal structure in Iraq by which there could be a borrowing authority, in my understanding, until the constitution is adopted, the election is held. But perhaps the most disturbing potential problem is that we would play into the hands of those who had repeated, since day one, "The Coalition Forces are not there for peace, they are not there to allow democracy to begin, they are there to seize the oil." Do you share that view?

Ambassador BREMER. Yes, I do. The oil revenues are a sensitive subject in Iraq, quite understandably. It is the major source of government revenues. In the new foreign-direct investment law, which the Governing Council asked me to sign a week ago today, they have explicitly excluded foreign investment in the oil sector for now until they have an elected government which can decide how they want to proceed with oil. I think we have to be respectful of that political sensitivity.

Chairman WARNER. Good.

There's been a unique partnership between your organization and that of the coalition military headed up by General Abizaid. Let's just have a frank assessment. Is that working?

Ambassador BREMER. Yes, sir. It is unique because the challenge of stabilizing Iraq after the war is a challenge of bringing together the civilian capabilities and the ongoing military capabilities in a way that is really quite challenging. The commander of the Joint Task Force in Iraq, General Sanchez, has colocated his headquarters with mine. Each of us have, as our first meeting of the day, a meeting together to discuss the plans for what happened overnight, what the plans for the day are. It is a totally integrated

operation. All of the public affairs people who work for the military, for example, work under my direction.

Chairman WARNER. Do you share those views, General Abizaid?

General ABIZAID. Sir, I was the person that said to General Sanchez, "Move your headquarters and colocate with Ambassador Bremer."

Chairman WARNER. Let me throw out an idea that, indeed, I've read a good deal about and done some of my own study. I see the presence of Dr. Walter Slocombe here, who has been before this committee many times. I commend him and his team for what they're doing to try and restructure a security arrangement drawing upon former Iraqi military and the likewise. Are you giving consideration to perhaps utilizing this force earlier than anticipated as a part of the integrated security to augment the police?

The problems that I see, and others, are that our soldiers do not have the language capability. Maybe some have fragments. There's always the presence of U.S. uniform facing the disparate elements that threaten them. Would it not be better if quickly you could put together, from the remnants of their former military and perhaps other sources, an Iraqi force to go out, and we'd change roles. Rather than the occasional Iraqi being an adjunct person to our military forces, that we are more or less the advisors to an Iraqi force. Is that achievable?

Ambassador BREMER. Yes, it is. If you look at the President's request, $5.1 billion of it is directed at security. As part of that, we intend to raise four separate Iraqi forces. The new Iraqi army is one, which you mentioned. If this supplemental is approved, we'll be able to produce an Iraqi army of 27 battalions by a year from now.

Chairman WARNER. The point is that, can it be now used to confront the threats.

So this is a new concept in this plan. We want to bring that to the attention of all. A new initiative.

Ambassador BREMER. That's right. There is an Iraqi Civil Defense Corps, which is also in this supplemental, also puts Iraqis in place of Americans.

Chairman WARNER. My time is up.

Senator Levin.

Senator LEVIN. Thank you.

General Abizaid, in your opening statement, on page 3, you point to a more dangerous threat from radical Islamist extremism than before. Just to quickly read this, because you did not in your oral presentation, "The enemy's ideological-based financial networks and information networks remain strong. Indeed, the demographic and economic conditions that breed terrorists may be worsening, and those conditions are heightening the ideological fervor associated with radical Islamist extremism."

In view of that assessment, what's the strategy for dealing with this apparently worsening threat?

General ABIZAID. Of course, Senator, what I was referring to there is not specifically Iraq, but the broader Middle East. I think, actually, if you look across the Muslim world, all the way from Morocco to Indonesia, you see that there are ideological movements that are very anti-Western, that are very anti-American in particu-

lar. While we are having good tactical success against this phenomenon, we are continuing to see growing strength in it.

Now, having said that, I do believe that we have to continue to reevaluate the way that we will approach this internationally, and not only internationally, but also interagency.

Senator LEVIN. Would it help if the governing council requested or endorsed foreign troop participation, in addition to what's already there, particularly from Muslim countries, in terms getting Muslim countries' troops there? Would it help if the governing council went on record as endorsing it?

General ABIZAID. As far as my point is concerned, yes, it would.

Senator LEVIN. Have we asked the governing council, Ambassador, to do that?

Ambassador BREMER. We've had some discussions with them, Senator.

Senator LEVIN. Have we asked them to do that?

Ambassador BREMER. Yes.

Senator LEVIN. Are they willing to do that?

Ambassador BREMER. Let me try to be more precise. Some of the countries that have been talked about have expressed an interest in either having the U.N. resolution passed or in having a governing council invitation, and we've discussed those two, in combination, with the governing council.

Senator LEVIN. What has been their response to requesting other countries to send foreign troops, including Muslim countries?

Ambassador BREMER. Their response has been varied. Some of them are in favor of doing that, some of them are more reluctant.

Senator LEVIN. Will they be taking a vote on this issue?

Ambassador BREMER. They might.

Senator LEVIN. Would you encourage that?

Ambassador BREMER. Yes. But I don't run it.

Senator LEVIN. Of course. You would encourage it, though.

Ambassador BREMER. Of course. Absolutely.

Senator LEVIN. You will ask them then to——

Ambassador BREMER. I have encouraged it.

Senator LEVIN. One other question about the council, and that has to do with the seven steps which you've outlined. Have they formally endorsed those seven steps?

Ambassador BREMER. The majority of the governing council endorses those steps.

Senator LEVIN. Have they taken a formal action to endorse them?

Ambassador BREMER. No, but they've acted in conjunction with it, because they're following it.

Senator LEVIN. I think it would be very helpful if you asked the governing council, since you've appointed it and it's supposed to represent the people of Iraq, if they formally endorse the seven steps which you have laid out as what you believe to be the correct path. It makes sense to me, but I don't live there. It would be very helpful, it seems to me—to avoid this impression that somehow or other we are laying down the law, and we are laying down the path, and we are doing this, and we're doing that—if you ask the governing council to formally endorse those seven steps. I'm just asking you simply, would you do that?

Ambassador BREMER. Yes.

Senator LEVIN. Now, on the question of Iraqi oil, we were told by Secretary Wolfowitz, a number of months ago, that Iraqi oil would be used in the reconstruction, I believe he said, in a matter of months. Why should not we ask the governing council to pledge some of their future surplus now to collateralize it? We want them to control their oil, right? We don't want to control their oil. They control it. Now, the only answer that I have heard to that is, there's no government there that can technically make that pledge to collateralize that oil.

Ambassador BREMER. That's correct.

Senator LEVIN. But there is a government that is being asked to put up $20 billion that could guarantee that pledge. That's us. If the governing council were asked to pledge a portion of its future oil surplus, it would be up to them. But if they were asked to make that commitment to show just how badly they want to contribute financially to their reconstruction, which would help, it seems to us here—in terms of persuading the American people, "Hey, we're not alone in this. The Iraqi people are pledging their own oil surplus"—we could then, if we simply guaranteed that pledge, help to collateralize that and produce current funds for reconstruction. Will you at least consider that possibility?

Ambassador BREMER. Thank you, Senator.

Yes, I will consider it. Let me just clarify one point. Effectively, oil revenues will be used for reconstruction next year, because oil revenues are funding the 2004 Iraqi budget. We may have a couple of hundred million dollars in revenues from taxes, but effectively oil revenue is what we have. In the Iraqi budget for next year, approved by the Iraqi Ministers and the governing council, there are some reconstruction projects. If I remember correctly, it's on the order of a billion-and-a-half dollars. It's not a lot of money. So the question of what you've called "excess revenues" really doesn't arise——

Senator LEVIN. I said future——

Ambassador BREMER. Right that's—no, I know. I understand. I just wanted to put some numbers around it. It doesn't really arise until 2005, by which time we hope that the revenues will generate about $5 billion a year more than are needed for expenses. So the question arises in a couple of years.

Senator LEVIN. I think you missed my point, but my time is up. Thank you.

Ambassador BREMER. I'm sorry. Maybe we can——

Chairman WARNER. Senator McCain.

Senator MCCAIN. Thank you, Mr. Chairman.

I want to thank Ambassador Bremer and General Abizaid for the outstanding work they are doing. I know that they share our sorrow and regret over the murder of Aquila Hashimi, who served her nation and the cause of freedom with valor and distinction. Her name will go down, I think, as an Iraqi hero. We regret her loss.

With only 5 minutes, I'd like to try to get in two questions real quick. One is that we had an interesting poll this morning. Seven out of 10 Iraqis say they expect their country and their personal lives to be better 5 years from now; 66 percent to 27 percent do not want an Islamic government; 74 to 18 percent, Saddam's henchmen

should be punished; and two thirds of the Iraqis say that the coalition troops should stick around for at least another year.

I think that helps us put into perspective—that's the first significant poll I've seen of the Iraqi people. I think that's an indicator of great success and a testimony to the magnificent job that is being accomplished.

But my first question, Ambassador Bremer, suppose that, in the very unlikely situation, we decided not to extend this reconstruction aid. My distinct view is that the hearts and minds of the Iraqi people are still up for grabs. What would be the implications, as briefly as possible, of our failure to approve not just the military aid, but, most importantly, the reconstruction aid, which impacts the Iraqi people most significantly?

Ambassador BREMER. It would be directly contrary to America's interest. Obviously, it would be contrary to the Iraqi people's interest. But it would be contrary to our interest because it would create a situation of much greater insecurity. I think we would find more of the population turning against us. I think we would find more attacks on Coalition Forces. Eventually, Iraq would, as I suggested in my opening statement, recede into a situation of chaos, not dissimilar from what was experienced in Lebanon in the 1970s and 1980s. We would find another breeding ground for terrorists. So I think it's a rather grim outlook.

Senator MCCAIN. Do you share that view, General Abizaid?

General ABIZAID. Sir, I do. I think it's very important that we move together on all this simultaneously and quickly.

Senator MCCAIN. Time is not on our side. Is that correct?

General ABIZAID. I agree.

Senator MCCAIN. Thank you.

I'm a little concerned to see an article today, "Pentagon May Call Up Additional Reservists." Quote, "'We've had one piece of bad news after another to share with families this year, and at some point it's got to take a toll,' said one senior Army National Guard official who spoke on the condition that his name not be used." Quote, "'Our people don't sign up to be full-time soldiers. If they did, they would join the regular Army.'"

[The information referred to follows:]

Los Angeles Times

September 25, 2003 Thursday
Home Edition

HEADLINE: Pentagon May Call Up Additional Reservists

BYLINE: Esther Schrader, Times Staff Writer

DATELINE: WASHINGTON

The Pentagon may need to call up thousands more National Guard and reserve troops over the next two months for duty in Iraq if other countries do not soon pledge soldiers to serve there, a senior military official said Wednesday.

Marine Corps Gen. Peter Pace, vice chairman of the Joint Chiefs of Staff, said commanders managing the military operation may yet decide that they have enough active duty troops to fill needs in postwar Iraq. But he said that unless other nations send more soldiers, the use of additional National Guard and reserve troops is likely.

"We need to be making decisions about alerting reservists over the next four to six weeks," he said. "I would think that by around the end of October or the beginning of November we should be alerting those forces that may need to be called up to relieve or be prepared to relieve [troops there now] if we don't have specificity by then on a third" multinational division.

Speaking to a meeting of defense writers, Pace emphasized that the need to mobilize more reservists was by no means certain.

"There are many countries out there talking about [contributing troops], and we have every hope that that will happen," Pace said. "But hope is not a plan."

The Pentagon had assumed as late as July that a third multinational division of 10,000 to 15,000 troops would be ready to replace the Army's 101st Airborne Division in Iraq by January.

But the diminished prospect that such a division would be committed and ready by then is putting growing pressure on the Pentagon, already straining to muster the resources and troops to handle the military's commitments in Iraq.

A British-led multinational division has been in southern Iraq for months, and a Polish-led division took up duties in August. But none of the nations that Pentagon officials have talked to about leading a third division -- Turkey, Pakistan, India and South Korea -- has agreed to do so.

Pace's comments caused concern among officials with the reserve forces, already worried that the heavy use of citizen soldiers could have lasting effects on recruitment and retention. In the last two years, more than 212,000 reservists and National Guard troops have been mobilized for war overseas and the fight against terrorism at home, the biggest such mobilization since World War II.

"We've had one piece of bad news after another to share with families this year, and at some point it's got to take a toll," said one senior Army National Guard official who spoke on the condition that his name not be used. "Our people don't sign up to be full-time soldiers. If they did, they would join the regular Army."

The United States has about 130,000 troops in Iraq. Of the 302 U.S. troops who have died in Iraq since the war began, at least 47 were National Guard or reserve. More than 30,000 Guardsmen and 50,000 reserves are in Iraq, the largest battlefield presence of reserve forces since WW II.

The part-time soldiers were put under more pressure this month when the Army announced that about 20,000 reservists and National Guard troops stationed in Iraq would be required to serve a full year from the time they arrived there, extending their tours by as much as 11 months in some cases.

And during the summer, two Army National Guard combat brigades totaling about 10,000 troops were notified they each would serve a six-month deployment in Iraq next year.

That was the first call-up of a brigade-sized reserve combat force since the end of the Cold War.

Army Gen. John Abizaid, commander of U.S. forces in Iraq, told the Senate Appropriations Committee on Wednesday that the Bush administration is working hard to persuade other nations to supply more troops for peacekeeping and reconstruction work in Iraq.

"The situation is better than it was two months ago, it's better than it was four months ago, and it will be better two months from now," Abizaid said. "But it will be a slow process. It will be a dangerous process."

The Pentagon announced late Wednesday that in an effort to ease the burden on soldiers in Iraq, it would allow troops who are serving there a year or more to fly home for 15 days to visit family or friends.

Under the new orders, as many as 270 service members a day will be able to travel free from Iraq to airports in Atlanta, Baltimore, Dallas, Los Angeles or Frankfurt, Germany, and then return when their leave is up. David S.C. Chu, undersecretary of defense for personnel and readiness, said travel beyond those points would be at service members' expense.

If the initial program works well, it may be expanded to accommodate as many as 800 troops per day, military officials said.

*

On reserve

The total number of National Guard and reserve personnel on active duty has decreased 8% during the last four weeks:

	Army NG/ Reserve	Navy Reserve	Air NG/ AF Reserve	Marine Corps Reserve	Coast Guard Reserve	Total
Aug. 27	131,996	5,401	27,381	18,267	1,898	184,943
Sept. 3	128,919	5,157	27,257	18,267	1,898	181,498
Sept. 10	128,568	4,749	25,513	13,767	1,806	174,403
Sept. 17	128,430	4,372	24,534	13,216	1,771	172,323
Sept. 24	127,746	3,957	24,424	12,567	1,771	170,465

Source: Department of Defense - Researched by Times graphics reporter Tom Reinken

Senator McCAIN. General Abizaid, in Sunday's New York Times, Tom Friedman wrote, "The resistance from the Saddamists in Iraq is getting stronger, not weaker. It is becoming so strong . . . that a new war needs to be mounted against the Saddamist forces in the Sunni triangle near Baghdad." Friedman also wrote that an Iraqi internal security force is the only way to fully root out the Baathist threat. I think we both agree on that.

[The information referred to follows:]

The New York Times

September 21, 2003, Sunday
Late Edition - Final

HEADLINE: Worried Optimism On Iraq

BYLINE: By THOMAS L. FRIEDMAN

I am an optimist by nature, and last week in Tel Aviv an Israeli friend told me he knew why. He said it was because I was short -- and short people tend to be optimists because they can only see the part of the glass that is half full, not half empty.

These days, though, even someone at my eye level is having a hard time seeing the part of the glass in Iraq that is half full. I am still an optimist on Iraq, but a "worried optimist." My optimism is based on one big thing that has happened -- and my worrying is based on two smaller things that have not.

The big thing that has happened in Iraq, which you can really feel when you're there, is that there is a 100 percent correlation of interests between America's aspirations for Iraq and the aspirations of Iraq's silent majority. We both want the same thing for Iraq -- that it not become Iran, that it not become Saddam, but that it become a decent, modern-looking Iraqi alternative. This overlap of aspirations is hugely important. This is not Vietnam.

This also explains why the remnants of Saddam's order, who want all their old privileges and powers back, have had to go to such incredible lengths -- bombing the U.N. office and the most holy mosque in Shiite Islam. It is not easy to break apart the overlap of interests between America and the Iraqi silent majority. It has real weight and inertia: the Iraqi Governing Council has appointed ministers, the ministers are getting the government running, normality is returning to many streets.

But here's what's worrying. The resistance from the Saddamists is getting stronger, not weaker. It is becoming so strong, I would argue, that a new war needs to be mounted against the Saddamist forces in the Sunni triangle near Baghdad. Two Republican Guard divisions just melted away in this area and they still have to be defeated. The war has to be finished, but we can't be the ones to finish it. This is a purely urban fight, and if we try to finish it alone what will happen is more of what's happened in the past two weeks -- fatal blunders. We just accidentally killed 10 Iraqi policemen in one town and gunned down a 14-year-old Iraqi boy in another who was part of a wedding party firing guns in celebration. Non-Arabic-speaking Americans cannot fight an urban war in Iraq. Forget it. We must get off this course immediately.

If we have many more such "friendly fire" incidents, even the Iraqi silent majority will turn hostile. That is what the Saddamists want. Which is why I will stop worrying about this only when I see the new Iraqi government has formed its own robust internal security force (now being discussed), with its own intelligence assets, to fight the Saddamists by the local rules. That is the only way to root them out, and only Iraqis can fight this war. If Americans have to keep killing Iraqis, we're dead.

The other thing that will make me stop being a worried optimist, is when I not only see Iraqis fighting for the aspirations we have in common, but when I hear them speaking out to defend those aspirations in public -- in Arabic. Whenever senior U.S. officials tell me about Iraqis who thanked them, with tears in their eyes, for getting rid of Saddam, I have a simple response: Could you please ask those Iraqis to say it in public, in Arabic, on Al Jazeera TV? There's been way too little of that.

In part, this is because many Iraqis are still afraid that we're going to leave and Saddam will come back and punish all who worked with us. In part, this is because America is so radioactive in the Arab-Muslim world that even an America that has come to Iraq with the sole intention of liberating its people cannot be openly embraced. In part this is because while we think we've "liberated" Iraq, and deserve applause, we forget the fact that Iraqis couldn't liberate themselves is deeply humiliating for them, and our mere presence there reminds them of that. And in part, it's because while we and the Iraqis share the same broad aspirations, it doesn't seem to them that we have a workable plan to achieve them.

We need to ease those doubts, and Iraqis need to get over them, because we can't stay as long as we need to, to get the job done, without Iraqis ready to defend the progressive outcome we both aspire to.

Friedman's first rule of Middle East reporting: What people tell you in private is irrelevant. All that matters is what they will defend in public. And when I see Iraqis defending our shared aspirations -- with both their words and their lives -- my optimism will know no bounds and every glass will look full.

Senator MCCAIN. When do you expect to deploy such an Iraqi force in sufficient numbers to go on the offensive against the Baathists? Until that time, don't you think we need more American forces, in addition to better intelligence from Iraqis and aggressive training of an Iraqi security force?

General ABIZAID. Thank you, Senator.

Actually, we are on the offensive in the Ar Ramadi-Fallujah area, and we just moved in the 82nd Airborne Division into that area. We've moved them in there along with one brigade from the 82nd plus a brigade from the 1st Infantry Division. You will see an upturn in combat in the Ar Ramadi-Fallujah area, no doubt about it, and you probably already have.

There are many Iraqis in what we call the Iraqi Civil Defense Corps that are with them. They are not fully capable yet. In about 4 months, we'll have about 20 battalions that are fairly capable serving alongside our forces.

I believe that the offensive action that we are undertaking, the increase that we've had over time with Iraqi forces, of both police forces, the Iraqi Civil Defense forces, and others, gives us the opportunity to maintain a stable environment to the best of our ability, and also conduct combat operations.

I am confident that we have enough troops at the right time right now. I talk to my commanders in the field about this all the time, and I think we're okay, Senator.

Senator MCCAIN. My time is expired.

Thank you, Mr. Chairman.

Chairman WARNER. Senator Kennedy.

Senator KENNEDY. Thank you very much.

To Ambassador Bremer and General Abizaid, we all want to congratulate you and are very aware that your lives are at risk, those you represent, and we have enormous admiration and respect for those individuals. That's why we believe it's so important to get it right.

Part of the trouble, I think, for many of us, not only as Members, but also our constituents, is to hear the rosy picture that you're describing, Ambassador Bremer, which is very similar to what the Secretary of Defense has described, and also read about what is happening on the ground, and try to understand the difference. We read in The New York Times, September 17, "New intelligence assessments are warning that the United States' most formidable foe in Iraq in the months ahead may be the resentment of ordinary Iraqis increasingly hostile to the American military occupation." Goodwill is wearing thin. Indications are that hostility is going "well beyond the Sunni heartland of Iraq, which has been the main setting."

[The information referred to follows:]

The New York Times
nytimes.com

September 17, 2003

OCCUPATION FOES

Iraqis' Bitterness Is Called Bigger Threat Than Terror

By DOUGLAS JEHL with DAVID E. SANGER

WASHINGTON, Sept. 16 — New intelligence assessments are warning that the United States' most formidable foe in Iraq in the months ahead may be the resentment of ordinary Iraqis increasingly hostile to the American military occupation, Defense Department officials said today.

That picture, shared with American military commanders in Iraq, is very different from the public view currently being presented by senior Bush administration officials, including Defense Secretary Donald H. Rumsfeld, who once again today listed only "dead-enders, foreign terrorists and criminal gangs" as opponents of the American occupation.

The defense officials spoke on condition of anonymity, saying they were concerned about retribution for straying from the official line. They said it was a mistake for the administration to discount the role of ordinary Iraqis who have little in common with the groups Mr. Rumsfeld cited, but whose anger over the American presence appears to be kindling some sympathy for those attacking American forces.

Other United States government officials said some of the concerns had been prompted by recent polling in Iraq by the State Department's intelligence branch. The findings, which remain classified, include significant levels of hostility to the American presence. The officials said indications of that hostility extended well beyond the Sunni heartland of Iraq, which has been the main setting for attacks on American forces, to include the Shiite-dominated south, whose citizens have been more supportive of the American military presence but have also protested loudly about raids and other American actions.

As reasons for Iraqi hostility, the defense officials cited not just disaffection over a lack of electricity and other essential services in the months since the war, but cultural factors that magnify anger about the foreign military presence.

"To a lot of Iraqis, we're no longer the guys who threw out Saddam, but the ones who are busting down doors and barging in on their wives and daughters," one defense official said.

However, Condoleezza Rice, President Bush's national security adviser, took issue with the assertion of broad Iraqi dissatisfaction with the presence of American troops, declaring that the United States was making headway in the places like Baghdad and Tikrit, where much of the resistance is centered.

"But there is, even in that part of the country, progress," she said in an interview. "People finished their university exams, the Iraqi symphony orchestra performed and took a tour up to the north. Kids went to school."

Some American officials said the intelligence assessments underscored that opposition to American forces in Iraq was likely to get worse before it got better. Others cautioned that it was risky to make such forecasts, and some cited what they called indicators of recent improvements in the security situation.

But while President Bush and other senior administration officials have described the conflict in Iraq primarily as a battleground in the war on terrorism, the officials said, the recent intelligence assessments tend to cast it mainly as an insurgency in which the key variable will be the role played by ordinary Iraqis.

"As time goes on, if the infrastructure doesn't improve, and American troops are still out there front and center, it's hard to see the public mood getting any better," one United States government official said.

A military official who acknowledged the existence of the pessimistic intelligence assessments said he took issue with some of the conclusions. He said the bounties being offered in Iraq for attacks on Americans had increased recently, to as much as $5,000, in what he called an indication that those opposed to the American occupation were having a harder time enlisting support.

The official also declared that the number of intelligence tips and other useful information provided to American forces in Iraq was generally on the increase, a sign, he said, of increasing cooperation by large segments of the Iraqi public.

To help blunt the anger directed at the American-led occupying force, Mr. Rumsfeld said again today, the United States hopes to accelerate the hand-over of security responsibilities in Iraq to Iraqi police officers, border guards, civil defense forces and soldiers trained by the United States. Nearly 60,000 Iraqis are now in uniform, he told reporters at a Pentagon briefing, and the administration hopes to increase that number to about 70,000 soon, to include more than 10,000 former Iraqi soldiers who are being trained to join the new civil defense force.

But the assassination of a high-ranking Iraqi police official on Monday has highlighted the difficulty involved in the effort, including the danger that Iraqis working with American forces will become targets as collaborators, the defense officials said.

Today, some Defense Department officials said the role played by foreign extremists, including members of the Lebanese resistance group Hezbollah, remained a source of increasing concern.

The largest recent indicator of foreign involvement came last week, they said, when American military forces detained some 80 foreign fighters, including Saudis, Jordanians and Sudanese, who were rounded up along with money and weapons in two separate raids conducted by the 101st Air Assault Division near the Saudi border.

But they said the degree to which such fighters, along with loyalists to the former Iraqi leader, were finding support within the Iraqi population was making it difficult for American forces to track them down and root them out.

Ms. Rice said that it was "simply naïve" to believe that Iraq today was more of a haven for terrorists than it was before Saddam Hussein was ousted from power.

"There is almost a sense that they were sitting someplace minding their own business — drinking tea, having meetings" and then decided to come to Iraq only after the American military rolled into Baghdad.

"These are fighters, they are jihadists," she said. "They would be fighting someplace. Maybe they would be fighting in the Gulf. Maybe they would be fighting in Southeast Asia. Maybe they would be fighting, or trying to fight, in the United States."

For much of the summer, as attacks on American forces in Iraq continued, Mr. Rumsfeld and other Pentagon officials disputed the idea that the United States was facing a guerrilla war in Iraq. They stopped objecting to that label only after Gen. John P. Abizaid, the new commander of American forces in the region, publicly called the conflict a "classical guerrilla-type campaign."

With American forces making up a vast majority of the coalition now occupying Iraq, Mr. Rumsfeld and General Abizaid have publicly acknowledged that the overwhelmingly American flavor of the effort poses a military problem because it makes the United States the target of ordinary Iraqis' resentment.

But barring a speedy withdrawal of American forces from Iraq, which the administration has ruled out, the recent intelligence assessments give little reason to expect that the resistance will calm down soon, the defense officials said. "It's going to be a hard slog, and it's hard to see when or if the picture is going to get any brighter," one official said.

More than 70 American military personnel have been killed by hostile fire in Iraq since May 1, when the administration declared an end to major combat operations.

Senator KENNEDY. Just 2 days ago, The New York Times said Ambassador Bremer came to tell the President, among others, that the "situation was bleak in Baghdad."

[The information referred to follows:]

The New York Times

September 23, 2003, Tuesday
Late Edition - Final

HEADLINE: Iraq and Ailing Economy Leave Bush Aides on Edge, They Say

BYLINE: By ELISABETH BUMILLER

DATELINE: WASHINGTON, Sept. 22

When George W. Bush addresses the United Nations General Assembly on Tuesday as the unapologetic commander in chief, administration officials acknowledge, behind the proud words will be a president in a less potent political position than a year ago because of setbacks in Iraq and the loss of jobs at home.

People close to the president say that as the 2004 campaign approaches, the mood at the White House is not one of panic, but that Mr. Bush is worried and his top officials are on edge, particularly about the nearly three million jobs lost since Mr. Bush became president and about the so-far jobless recovery.

At the same time, Bush advisers acknowledge a high level of anxiety among House Republicans over what they perceive as the White House's inability to communicate its policies on Iraq effectively.

The problems have led to a new sense of urgency at the White House, Republicans say, with much riding on the president's speech to the General Assembly. In words written as much for a domestic audience as for an international one, Mr. Bush is expected to make limited concessions giving the United Nations more control in Baghdad, as the allies would like. But he will keep real authority in American hands.

"There's a feeling that you have to assert that the United States is still in control, if nothing else for domestic concerns," said a senior administration official, who, like most of those interviewed, requested anonymity.

"We're going into an election year and the president has to project an image of power and authority," the official added. "There will be a lot of language implying that we're not going anywhere. We're asking for help, but not for anyone to take over."

Mr. Bush's speech will also serve as a central thrust of a White House communications push intended to show the president as proactive on Iraq and the economy, the areas where White House officials readily concede he is most vulnerable politically. Mr. Bush will continue to travel the nation promoting his tax cuts as a way to create jobs.

"They understand they need to be aggressive in defining the Iraq policy, and they need to show that they have a focus on job creation, and then they need to be forceful in communicating both," said David Winston, a Republican pollster close to the White House. "There's a sense of urgency that things need to be done, and done quickly."

William Kristol, a conservative publisher with close ties to the administration, said that White House officials understood they had made mistakes, and that they had switched tactics.

"Until about two weeks ago they believed their own propaganda that all was well in Iraq and at home," Mr. Kristol said. "But reality has set in, and they're hard-headed in dealing with the problems they face."

Several nationwide polls show support for Mr. Bush and his policies dropping in important areas. A CNN-USA Today-Gallup poll, conducted over the weekend and released today, found that 50 percent of the public said the war in Iraq was worthwhile, while 48 percent said it was not. In August, the poll found 63 percent of Americans backing the war.

The poll also found that Mr. Bush's overall approval rating was the lowest since he became president, falling to 50 percent. In August, the poll found that 59 percent of American's approved of his job performance, and in April the figure was 71 percent.

Officially, administration officials say that they had expected the drop in support for the president, and that they were not concerned about the turn of events. "We put out a memo three months ago predicting that this was going to happen," Dan Bartlett, the White House communications director, said.

But unofficially, some administration officials say they are experiencing the unpleasant sensation of not feeling in control of events. "I think there is a sense of being under assault and not being able to reclaim the upper hand in a way that seemed so effortless in the past," said one Bush adviser.

The new concern began in the summer, one official said, when L. Paul Bremer III, the American administrator in Iraq, traveled to Washington to tell Mr. Bush, among others, that the situation was bleak in Baghdad and that he needed billions of additional dollars for the kind of security and reconstruction that would let the administration begin a significant troop withdrawal within a year. Although no administration official says so explicitly, the White House goal is to show substantial improvement in Iraq before next fall's re-election campaign.

For now, Mr. Bush's political aides are largely dismissive of the Democratic presidential candidates, although some Republicans say the White House is more worried than it lets on about the ability of Howard Dean to energize the Democrats. Mr. Bush, in an interview with Fox News broadcast today, said he was playing little attention to the rise of Dr. Dean.

"Occasionally it blips on my radar screen, but not nearly as much as you would think," he said.

Senator KENNEDY. We hear one rosy story from you, we read something else.

We look at the newspapers this morning, and this is, I think, the indictment of the administration's current policy. First of all, in The Washington Post, "Bush Fails to Gain Pledges on Troops or Funds for Iraq."

[The information referred to follows:]

The Washington Post

September 25, 2003 Thursday
Final Edition

HEADLINE: Bush Fails to Gain Pledges on Troops Or Funds for Iraq;
National Guard, Reserve May Plug Holes

BYLINE: Dana Milbank and Colum Lynch, Washington Post Staff Writers

DATELINE: NEW YORK Sept. 24

President Bush ended two days of meetings with foreign leaders today without winning more international troops or funds for Iraq and with a top aide saying it could take months to achieve a new U.N. resolution backing the U.S. occupation.

Bush's failure to win a promise of fresh soldiers in meetings with the leaders of India and Pakistan -- aides said the president did not even ask -- increased the difficulty the United States will have in assembling another division of foreign troops in Iraq, which senior Pentagon officials say is the minimum needed to relieve overstretched U.S. forces.

In testimony on Capitol Hill today, Defense Secretary Donald H. Rumsfeld said, "We're not going to get a lot of international troops with or without a U.N. resolution. I think somewhere between zero and 10,000 or 15,000 is probably the ballpark."

And Peter Pace, the vice chairman of the Joint Chiefs of Staff, warned that more National Guard and Reserve forces could be activated if the third foreign division -- 15,000 to 20,000 troops -- is not secured within the next six weeks.

Bush's empty-handed departure after two days at the United Nations, combined with warnings from the military that it will soon need fresh U.S. troops to relieve those in Iraq, makes it increasingly likely that the U.S. military will have to rely on its own reservists to do the job -- a politically dicey move for Bush, whose domestic support already has declined because of the continuing instability in Iraq.

Compounding the pressure, U.N. Secretary General Kofi Annan is considering ordering the total withdrawal of U.N. personnel from Iraq, a step recommended by his top political and security advisers after two bombing attacks against the world body in Baghdad over the past month, according to U.N. and U.S. officials. A U.N. pullout would seriously undercut efforts to assign the United Nations a broader role in overseeing Iraq's political transition.

The White House, when it decided earlier this month to seek a new U.N. resolution, was hoping to quickly pass a measure that would encourage countries such as India, Pakistan and Turkey to send troops and others to provide money to support Iraq's reconstruction. But the administration discovered that other countries are not willing to commit the needed military power and funding unless the United States relinquishes more control than it is willing to give to the United Nations or the Iraqis.

Today, as leaders from Pakistan and Turkey raised fresh concerns about supplying soldiers, senior administration officials sought to reduce expectations for foreign help and an imminent Security Council resolution.

In a meeting with the 10 non-permanent members of the council, Secretary of State Colin L. Powell said he would like to see a resolution adopted by Oct. 23, the scheduled date of an international Iraqi donors conference, according to a senior diplomat present at the meeting.

"Nobody's in a particular hurry to get this done, because we're going to do this right," said a senior Bush aide who briefed reporters on condition of anonymity. Asked whether the search for a U.N. resolution backing the U.S. occupation in Iraq could be a months-long process, the official said: "It could be. And I don't think that there is any concern that that would be a problem."

The official said Bush did not specifically ask for troops from Pakistani President Pervez Musharraf and Indian Prime Minister Atal Bihari Vajpayee, adding, "The president did not come here to ask people for troops." There were also no concrete discussions about financial contributions because the donors' conference planned in Madrid is still a month away, the official said.

Musharraf suggested requirements for Pakistan's participation in Iraq peacekeeping efforts that would be almost impossible to meet. At a news conference, Musharraf said that the public in his country is "totally opposed to sending troops to Iraq" and that "President Bush does totally understand" his country's reluctance to commit forces to Iraq. Musharraf said Pakistan would participate only under a U.N. mandate asking for Muslim troops.

Similarly, Turkish Foreign Minister Abdullah Gul told a forum in New York today that more control should be turned over to Iraqis if Turkish troops are going to participate. "We want Iraq to be ruled by Iraqis," Gul said.

That sentiment was echoed at the U.N. General Assembly, where foreign leaders continued to press for an expeditious transfer of authority to Iraqis as part of a new Security Council resolution. Chinese Foreign Minister Li Zhaoxing called for Iraqi sovereignty "at an early date." Chilean Foreign Minister Soledad Alvear, whose country is also serving on the Security Council, said, "We believe it is essential to set a timetable."

The Bush administration remained adamant in resisting what the Bush official called "artificial timetables" for a transfer of power. "I don't think anybody wants to compromise on a transfer of sovereignty that might fall apart," the official said. Still, the aide did not rule out a breakthrough, saying there "is more convergence here in view than might be thought."

Powell, in his meeting with foreign ministers, said that he wanted to hear ideas on how to yield greater authority to Iraqis more swiftly, but, according to a diplomat who attended, he cautioned that his "room for maneuvering is not wide."

In another point of contention, the U.S. administrator in Iraq, L. Paul Bremer, told Congress today that the United States is opposed to giving up control over the $ 20 billion in reconstruction funds for Iraq that the administration is seeking. Bremer declined to give details about what tasks the administration is willing to surrender.

In one bright spot for Bush, he and German Chancellor Gerhard Schroeder announced this morning that they had moved beyond their differences over the war in Iraq, which Germany bitterly opposed. Bush, calling the chancellor "Gerhard," declared after the meeting: "We've had differences, and they're over, and we're going to work together." The president said the two allies would cooperate on Afghanistan and stabilizing Iraq.

Schroeder, in reply, said, "We very much feel that the differences there have been have been left behind and put aside by now." The two men did not get into specifics on their agreements or differences, although Bush aides said Germany might provide police training.

But the very fact that they had such a public reconciliation -- the White House originally had planned to allow only still photographs of the session, as it has with Bush's other meetings here -- was noteworthy. Bush did not have a public reconciliation with French President Jacques Chirac, who has led the opposition to U.S. policy in Iraq, after a similar meeting yesterday. Bush aides said the two remain divided on setting what Chirac calls a "reasonable timetable" for giving Iraqis authority. Though France has said it will not veto a resolution, France's backing for a resolution is important because that could encourage reluctant nations to provide troops and funds.

As U.S. diplomats worked to resolve the dispute, military leaders said they are preparing for the possibility of calling up more reserves. Pace, a Marine general, told a group of defense writers in Washington this morning that if more commitments of foreign troops are not secured, the Pentagon will need to begin in the next four to six weeks alerting National Guard and Reserve forces required to sustain troop levels in Iraq.

"We need to be making decisions about alerting reservists over the next four to six weeks," he said, adding that replacements would be alerted "if we don't have specificity by then" on commitments to a third multinational division in Iraq.

Under a Pentagon troop rotation plan announced in July requiring 12-month tours for soldiers in Iraq, the third multinational division would replace the 101st Airborne Division in February or March. The two foreign divisions already there are led by Britain and Poland.

Pace also said that the U.S. Marines, who have just relinquished control of their sector south of Baghdad to the Polish-led division and will be leaving Iraq, will be part of all future rotation plans. "The Marines will be deployed at the same rate as the Army," he said.

There are about 144,000 U.S. forces in Iraq and 22,000 from 32 other countries, including 14,000 from Britain.

Pace said the United States has enough forces on its own to maintain security in Iraq, if necessary. But, he added, "that is not our desire for lots and lots of reasons." The general said that it is "not a given" that more Reserve and Guard forces will be needed and that "we have every hope" more foreign troops will come. "But hope is not a plan," he said.

Staff writers Vernon Loeb and Peter Slevin in Washington contributed to this report.

Senator KENNEDY. We look at the front page of The New York Times here, "The American leading the hunt for banned weapons in Iraq says his team has not found any of the unconventional

weapons cited by the Bush administration as a principal reason for going to war."

[The information referred to follows:]

The New York Times

September 25, 2003, Thursday
Late Edition – Final

HEADLINE: THE STRUGGLE FOR IRAQ: THE WEAPONS;
DRAFT REPORT SAID TO CITE NO SUCCESS IN IRAQ ARMS HUNT

BYLINE: By DOUGLAS JEHL and JUDITH MILLER

DATELINE: WASHINGTON, Sept. 24

An early draft of an interim report by the American leading the hunt for banned weapons in Iraq says his team has not found any of the unconventional weapons cited by the Bush administration as a principal reason for going to war, federal officials with knowledge of the findings said today.

The long-awaited report by David Kay, the former United Nations weapons inspector who has been leading the American search for illicit weapons, will be the first public assessment of progress in that search since President Bush declared an end to major combat on May 1.

Mr. Kay's team has spent nearly four months searching suspected sites and interviewing Iraqi scientists believed to have knowledge about the country's nuclear, biological and chemical weapons programs.

The officials, who spoke on condition of anonymity, said that Mr. Kay and his team had not found illicit weapons. They said they believed that Mr. Kay had found evidence of precursors and dual-use equipment that could have been used to manufacture chemical and biological weapons.

They also said that Mr. Kay's team had interviewed at least one Iraqi security officer who said he had worked in such a chemical and biological weapons program until shortly before the American invasion in March.

Sections of the interim report by Mr. Kay are expected to be made public later this month. A spokesman for the Central Intelligence Agency, Bill Harlow, said in a statement today that Mr. Kay was still receiving information from the field and that his progress report would not "rule anything in or out."

The administration's inability to uncover evidence of banned weapons has prompted increasing criticism from Capitol Hill. Until now, administration officials had insisted that they did not know what Mr. Kay's report might conclude. The effort by the C.I.A. today to emphasize the interim nature of any document seemed intended to minimize political fallout from his findings.

The failure to find banned weapons has been cited by Democratic presidential candidates and other critics of the war as evidence that the administration exaggerated the threat posed by Iraq to secure public support for toppling the government in Baghdad, a course that some of Mr. Bush's deputies had long promoted.

In a telephone interview, Mr. Harlow said that Mr. Kay's report was still being drafted and that it would be premature to describe any draft as reflecting even interim conclusions. Mr. Kay reports to George Tenet, the director of central intelligence, and oversees the Iraq Survey Group, an organization made up of about 1,400 American and British weapons experts, security teams and support personnel.

Mr. Kay returned to the United States from Iraq about a week ago, government officials said, and is working from an office at C.I.A. headquarters in Virginia.

The details of Mr. Kay's findings have been closely held within the administration as part of a strategy that officials said was intended both to prevent unauthorized leaks and to minimize internal disputes about any emerging findings. Issues related to the Iraqi weapons program have been contentious inside the administration as well as outside, with the State Department's intelligence branch and some officials at the Defense Intelligence Agency taking issue with a report made public in May by the C.I.A. that said mysterious trailers discovered in Iraq were used to manufacture biological weapons.

Mr. Bush, who said at the time that the discovery of the trailers meant that the administration had found illicit weapons in Iraq, has not repeated such statements in recent months. But in a recent television interview, Vice President Dick Cheney called the trailers "mobile biological facilities that can be used to produce anthrax or smallpox or whatever else you wanted to use during the course of developing the capacity for an attack."

In early June, American and British intelligence analysts with direct access to the evidence disputed claims that the trailers were used for making deadly germs. They said in interviews with The New York Times that the evaluation process had been damaged by a rush to judgment.

As recently as Monday, Mr. Bush said he believed that Saddam Hussein buried or dispersed his stockpiles of illicit weapons before the United States mounted its invasion in March. But Mr. Bush said it would take Mr. Kay "a while" to uncover the truth about what happened to them.

People who have been hunting for weapons in Iraq have said that Mr. Kay has been frustrated over the lack of progress in the search, initially over problems involving coordination with military commanders charged in some cases with detaining the very Iraqis whose cooperation Mr. Kay's team was seeking.

Those problems have been largely resolved, the weapons hunters said, but Mr. Kay has still found it difficult in recent weeks to investigate leads that seemed worth pursuing, in part because the unstable security situation in Iraq has made it difficult for his teams to travel to some areas.

Iraq acknowledged having stockpiles of chemical and biological weapons after the Persian Gulf war of 1991 but maintained that it destroyed all such weapons after that conflict, a position that Iraqi officials in American custody are said to have reiterated in recent interrogations.

In a formal National Intelligence Estimate last October, the C.I.A. and the rest of the American intelligence community concluded that "Baghdad has chemical and biological weapons" and that "if left unchecked, it probably will have a nuclear weapon during this decade." That general view was shared at the time by the United Nations and most foreign governments but support for the position has been eroded by the American failure to discover the weapons in Iraq.

A United Nations inspection team headed by the Swedish diplomat Hans Blix said in June that Iraq had never accounted for weapons and materials it claimed to have destroyed. But Mr. Blix said in more recent interviews that he now believes that Iraq destroyed its banned weapons long before the United States mounted its invasion in March.

Addressing the United Nations on Tuesday, Mr. Bush showed no sign of backing away from the administration's view that the Iraqi claims were not credible. At the White House on Monday, Condoleezza Rice, the national security adviser, said that at the time of the war there had been "nobody who knew anything about Iraq who believed that Saddam Hussein had destroyed all of his weapons of mass destruction."

"I think we will find that Saddam Hussein's weapons of mass destruction can be accounted for and we'll know the truth," Ms. Rice said, but she added: "David Kay is not going to be done with this for quite some time."

Senator KENNEDY. Though it's on the—look at the front page, again, of The Washington Post, "Crossed wires deprived Iraqis of electric power. War plans ignored worn infracture."

The Washington Post

September 25, 2003 Thursday
Final Edition

HEADLINE: Crossed Wires Deprived Iraqis of Electric Power;
War Plans Ignored Worn Infrastructure

BYLINE: Rajiv Chandrasekaran, Washington Post Foreign Service

DATELINE: BAGHDAD

When grease-stained technicians at the Baghdad South power plant needed spare parts recently, they first submitted a written request to Bechtel Corp., the engineering firm given more than $ 1 billion in U.S. government contracts to fix Iraq's decrepit infrastructure.

Then they went to the junkyard.

They scoured piles of industrial detritus for abandoned items that could be jury-rigged into the geriatric plant, such as the hydraulic pump from a bulldozer that was used to restart a broken water condenser.

"Of course we'd like new parts," sighed Ahmed Ali Shihab, the senior operations engineer. But he said repeated appeals to Bechtel and the U.S. military had not yielded any significant new equipment. "All we have received from them are promises," he said.

Although U.S. officials said the requests for new parts were beyond the scope of Bechtel's contract, the failure to get much-needed equipment to Baghdad South more than five months after the first reconstruction teams arrived here illustrates the dearth of planning, funding and coordination that has fettered the overall American effort to rehabilitate Iraq.

With new parts, Shihab said, Baghdad South could increase its output by 90 megawatts -- enough to light about 90,000 more homes in the capital, where a severe electricity shortage is causing blackouts every few hours and generating widespread frustration with the U.S. occupation. Instead, the plant limps along, its 1960s-era turbines eking out less than half as much power as they should because of extensive steam and fuel leaks.

The problems at Baghdad South helped to convince the Bush administration this summer that its initial strategy to repair the electric system -- which called for Bechtel to spend $ 230 million on emergency repairs and international donors to fund the construction of new plants -- was not working. Donors were offering only minimal financial support. Looting and sabotage were rampant. The country's power plants were in need of far more than $ 230 million in stopgap work.

With electricity production still below prewar levels -- it is enough to meet only little more than half the national demand -- the administration has shifted gears and asked Congress to devote $ 5.7 billion to a comprehensive effort to resuscitate Iraq's power system.

"Restoring Iraq's electricity is vital to our mission here," said L. Paul Bremer, the U.S. civil administrator of Iraq.

"It's hard to exaggerate the impact of three decades of crippling under-investment by Saddam Hussein in Iraq's infrastructure," Bremer said in a recent interview. "He spent his nation's money building palaces and weapons and his army, not funding the things people need to survive."

But several American and Iraqi specialists contend the U.S. occupation authority has been slow to address the problem. Immediately after Hussein's government fell, they maintain, more money and attention should have been focused on buying spare parts and trucking in large, gas-powered generating units that can each power as many as 40,000 homes. Doing so, they insist, would have reduced the frequency of blackouts and the anger that crystallized toward the occupation.

"If they had recognized the problem sooner and devoted more resources to it, the problem wouldn't be as bad as it is now," said an American electrical engineer who works with the occupation authority and spoke on condition of anonymity. "Iraqis would have seen a real improvement in their lives."

Instead, he said, "we still have problems like Baghdad South."

Built along the meandering Tigris River in 1959, Baghdad South has been a metaphor for Iraq's prosperity and poverty.

Its four German-made, steam-powered generating units initially provided more than enough electricity to meet the capital's needs. As demand increased, Iraq turned in 1965 to the United States, acquiring two additional units from General Electric Co. The plant's six towering smokestacks were symbols of the country's oil wealth.

"Back then, we were the most advanced power plant in the Arab world," said Bashir Khallaf, the director of Baghdad South.

In 1983, before Hussein's war with neighboring Iran had drained the national coffers, the four German generating units were replaced with ones from G.E., handing more business to the United States, which was supporting Iraq in the war. At the time, Khallaf said, the plant never had to operate at its 350-megawatt capacity. The country's electricity supply was almost double its demand.

All that changed in 1991. The plant sputtered to a halt after being hit by six U.S. bombs during the Persian Gulf War. American bombing during the war damaged about 75 percent of the country's power-generating capacity, according to U.N. assessments.

But Khallaf and other workers brought Baghdad South back to life four months later using plentiful spare parts in its warehouse.

After the war, U.N. economic sanctions prevented Iraq from ordering new parts from G.E. As equipment broke, it either was not fixed or was replaced with makeshift devices. With power in increasingly short supply, government officials prevented the plant from shutting down for annual maintenance. The once-modern facility gradually became a collection of leaky pipes, broken gauges and ramshackle devices.

In 1996, Iraq struck a deal with the United Nations whereby it could sell its oil and use the revenues for the purchase of humanitarian supplies, including equipment for power plants. But the sanctions effectively prohibited the import of parts that had potential military applications, such as chlorine to purify water going into steam turbine units, further degrading the electricity system.

By this January, Baghdad South was barely able to produce 185 megawatts.

"We were like an old man losing his energy," Khallaf said.

U.S. officials insist that in the months before the Iraq war, the signs of trouble were impossible to see. "This was a closed-off, Stalinist society," one U.S. official here said. "We knew there were repairs that were needed, but we had no idea just how bad things were."

But some Iraqi and American specialists contend the warnings were apparent. The U.N. Development Program -- which oversaw the importation of electrical parts under the oil-for-food program -- produced extensive reports detailing problems in the power sector. One public U.N. document issued last year noted that Iraq's generating units were "technically and economically obsolete," resulting in a 2,500-megawatt nationwide power shortage and lengthy blackouts.

Estimates from Iraqi exiles participating in a State Department planning program for a post-Hussein government suggested that power-sector repairs would cost as much as $ 18 billion. Yet the Bush administration's initial reconstruction plan called for devoting just $ 230 million of a $ 680 million Bechtel contract to electricity system repairs. "The telltale signs were there," said the American electrical engineer. "But either because of sheer carelessness or because the [U.S.] government didn't want to reveal how expensive it would be, there was massive under-planning."

Then came the American invasion.

For the first two weeks of the war, the plant chugged along as normal. But at 8 p.m. on April 3, after particularly intense bombing on Baghdad's outskirts and as columns of U.S. tanks were nearing the airport, the high-voltage lines

that are supposed to carry electricity from the plant instead delivered a massive surge, forcing an automatic shutdown, Khallaf said.

The same thing happened to every other plant in central Iraq, plunging the capital into darkness and panic.

For weeks, nobody -- not U.S. military engineers, not Iraq technicians -- had any idea what happened. Did Hussein order the lights out? Did the Americans bomb a power station?

U.S. and Iraqi engineers now believe what happened was that during the fighting around the airport, a loop of high-voltage lines encircling Baghdad was accidentally severed, causing the power grid to become imbalanced and sending surges to every plant on the network.

With no idea what prompted the problem and with fighting raging around the capital, Khallaf and other employees decided to go home. They returned to work April 12, three days after Baghdad fell, to find a contingent of Marines hunkered down at the plant.

A day later, officers from the U.S. Army Corps of Engineers arrived at the plant. When they walked around and saw broken pipes, frayed wires and the computer-less control room, where the antiquated dials are the size of wall clocks, they were amazed and worried.

"When I first looked around, I said, 'Holy moly. This is not good,' " recalled Lt. Col. John Comparetto, the Army's chief electrical engineer in Iraq. "I hoped it was an isolated incident. But it wasn't true. It was typical."

It was then, Comparetto said, that he understood the war planning had been far too optimistic. "We were underestimating how bad it was, no doubt about it," he said.

With no power on the national grid, he and Khallaf realized it would be impossible to quickly restart Baghdad South. Electrical plants, like cars, need power to start. Baghdad South required about 8 megawatts, far more than the capacity of the Army's largest portable generator.

The Army eventually came up with a solution: Divert power from a hydroelectric station, one of the few generating facilities in operation.

Two weeks later, Baghdad South was running again. But its output would go no higher than 160 megawatts.

Once other plants started, they faced the same problem. The shock of the sudden shutdown, the lack of spring maintenance because of the war and general fatigue made an already ailing system even sicker. Although Iraqi and American engineers turned on as many units as they could, they could not get overall national output above 3,500 megawatts -- well below the 4,400 megawatts produced before the war or the 6,500 megawatts needed to satisfy the nation's demand.

Andrew Bearpark, the occupation authority's director of operations, likened the system to a dilapidated car that could no longer reach its top speed. "If you leave it unused for a month, it will drive even slower, or not at all," he said.

For three months after Hussein's government fell, the occupation authority stuck to its prewar power plan.

The Army engineers allowed Iraqi managers and technicians to resume control of their facilities. Bechtel conducted emergency repairs and the renovation of a few generating units around the country. Other needs, such as spare parts for Baghdad South, would have to be purchased by Iraq's electricity commission, a government body responsible for managing power plants and the transmission network.

Bremer and Bearpark hoped electricity production would gradually increase to prewar levels by the end of July. But as the summer began, it became clear that goal was unattainable and that the occupation authority needed a new plan.

They concluded the $ 230 million Bechtel had been given was not enough to make the necessary repairs. At Baghdad South, for instance, Bechtel provided chemicals to treat water in the steam turbines because it was deemed an emergency issue, but the company lacked funds to buy spare parts for the plant, even if they would improve performance. That responsibility was subsequently shifted to the country's electricity commission, which has a tiny budget and no phones to contact foreign suppliers.

More than parts, plants such as Baghdad South needed a full overhaul -- the equivalent of removing a car's engine, taking it apart and then rebuilding it -- if there was any hope of raising output above 250 megawatts. "We quickly

realized that we'd need billions and billions of dollars to fix the system," said Michael Robinson, Bechtel's operations manager in Iraq. "But we had a very, very limited contract."

By June, looters were toppling dozens of high-voltage towers every week, cutting off cities south and west of Baghdad from the national grid. Closer to the capital, saboteurs began felling towers with explosives; one attack plunged the city into a three-day blackout.

Immediately after Hussein's government fell, the military counted 13 high-voltage towers that had been toppled. Now, more than 650 towers -- one-third of the national network -- have been knocked over, often by thieves who scavenge for aluminum wire to sell.

"The transmission network was getting worse by the day," Robinson said.

Fuel shortages also compounded the problem. Because the electrical grid could not provide reliable power to oil refineries, they had to cut back production. That, in turn, reduced supplies of diesel and natural gas to generating plants, forcing some of them to reduce output.

By mid-July, Bremer concluded that the prewar strategy would no longer work, according to people familiar with the discussions. As a first step, he urged the U.S. Agency for International Development to issue a new, $ 350 million contract to Bechtel. Of that money, $ 275 million was earmarked to fund the installation of prefabricated, gas-powered generating units to provide 400 megawatts of power in and around Baghdad. Such generators can be set up within two months instead of the more than two years it would take to build a large-scale steam-turbine plant.

But the gas units require fuel that is in short supply in Iraq, as well as the installation of pipelines from refineries. "It's easier said than done," Comparetto said. "But we're scouring the world for them."

Bremer and other occupation authority officials eventually determined that they needed a much larger infusion of money to rehabilitate the electricity sector, which they regarded as necessary to rebuild the economy, restore security and regain the support of many Iraqis.

"There was finally a conclusion that the only way to solve the problem would be to spend billions of dollars," a U.S. official said.

In the early months of the occupation, the official said, "everyone believed that saying we needed billions of dollars was too politically risky. Now they realize that if they don't fix the power system quickly, this whole effort will fail -- and that's a much bigger political risk."

The Bush administration's $ 5.7 billion budget request calls for spending $ 2.9 billion to increase generating capacity through the renovation of existing plants and the construction of new ones, and $ 2.5 billion to improve high-voltage transmission networks and urban distribution systems. Bearpark said the money should produce an 8,000-megawatt capacity, enough to meet the country's needs over the next few years.

"It's a massive, massive project," said Ayham Sameraei, Iraq's new minister of electricity. "But we need this help if we want to just come back to the standard of a Third World country."

To prevent more towers from being toppled, Sameraei said he has authorized hiring 4,000 "power police" officers, 1,500 of whom have already been hired, and he has told his staff to pay tribal leaders to set up protection squads for the transmission network. He said he also has urged the U.S. military to fly helicopters over power lines and shoot looters on sight. The military has agreed to the first request, but not the second.

Even without the new funding, Bremer has set his sights on reaching prewar electricity production levels by the end of the month -- a goal that may be attainable because demand usually dips in late September. To get there, the occupation authority has deployed military officers to 22 power plants to help direct repair work and take charge of ordering parts.

But at Baghdad South, the equipment Shihab wants still has not arrived. Capt. Roderick Pittman, the officer assigned to Baghdad South, has a simple answer for the delay: It is impossible to find parts for the plant because it is so old. "It's not like you can find this stuff on the shelf anywhere," he said. "This place is very Stone Age."

Senator KENNEDY. Many of us who are concerned about the rush to war by this administration anticipated the challenges that you were going to find, such as the worn-out infrastructure. Now you're saying to us, "Unless we do this, it's going to be more and more of a breeding ground for terrorists." Welcome to the fact that we're finding that out now, because many of us believed that that was going to be the case previously.

Then, if you read in The New York Times, as has been mentioned, "Stretched Pentagon says it may need to call up thousands more reservists to serve in Iraq."

[The information referred to follows:]

The New York Times

September 25, 2003, Thursday
Late Edition - Final

HEADLINE: THE STRUGGLE FOR IRAQ: TROOP LEVELS;
Stretched Pentagon Says It May Need to Call Up Thousands More Reservists to Serve in Iraq

BYLINE: By THOM SHANKER

DATELINE: WASHINGTON, Sept. 24

The Defense Department may be forced to call up thousands of additional National Guard and Reserve troops for duty in Iraq if foreign nations do not volunteer sufficient forces for a third international division, one of the Pentagon's most senior generals said today.

The decision on a significant new mobilization, expected within four to six weeks, will also turn on whether the Army and Marines can send fresh active-duty troops to Iraq and still manage other global commitments. It also depends on whether instability in Iraq has subsided to the extent that fewer outside troops are required, said the general, Peter Pace, vice chairman of the Joint Chiefs of Staff.

Success in expanding Iraq's own security forces could also reduce the need for replacement troops next year, he said, although it is too early for planners at the Pentagon or the military's Central Command, which oversees operations in Iraq, to make a final judgment. That assessment was seconded today by Gen. John P. Abizaid, the Central Command's senior officer.

While the administration is still courting foreign capitals for troops to supplement and replace American forces in Iraq, General Pace cautioned, "Hope is not a plan."

The 101st Airborne Division is now scheduled to rotate home in February or March, but Pentagon planners must know within the next few weeks whether a third international division will be ready to replace them. The time is needed to alert, mobilize and train National Guard and Reserve troops, or to select active-duty forces for the mission.

"We need to be making decisions about alerting Reservists over the next four to six weeks," said General Pace, of the Marine Corps.

In an interview with reporters, General Pace noted that if the responsibility for securing northern Iraq remained with the United States, "it's not a given that the force would have to be Reserve or Guard." The Army might be called on to rotate in fresh forces to replace its 101st Division, despite a consensus that it is the military branch most stressed by global deployments.

Two international divisions with a total of just over 20,000 troops are currently in Iraq, one under British command and one under Polish command, along with about 130,000 American military personnel.

About 20,000 members of the National Guard and Reserve are serving in Iraq or nearby, according to Pentagon statistics. The total number of National Guard and Reserve members now on active duty at home and overseas is 170,465, Pentagon officials said today. That is down from a high of 223,000 during major combat operations in Iraq.

Pentagon officials fear that the stress created by long, back-to-back deployments for active-duty troops assigned to the Iraq mission or the broader campaign against terrorism may hurt recruiting and retention.

While the strain on the Guard and Reserve raises similar anxieties about recruitment and retention, the possibility of a large mobilization raises political concerns as well. These citizen-soldiers have roots in communities deeper than active-duty troops who move every few years, and therefore they also have the ear of their Congressional delegation.

At a hearing today of the Senate Appropriations Committee, Senator Robert C. Byrd, Democrat of West Virginia, pressed Defense Secretary Donald. H. Rumsfeld on the demands now placed on the National Guard and Reserve, saying, "Pulling their fair share gets harder and harder and harder as their fair share becomes longer and longer and longer."

Senator Byrd said he had "heard from many families anxious to know when their deployed loved ones might return home."

He said, "All of these families expressed a deep frustration with the open-ended, unfocused deployment of Guard and Reserve units."

He noted that "while the nation's citizen-soldiers are proud to serve their country overseas, they also have obligations at home to their home, to their community, to their families."

Mr. Rumsfeld responded by describing efforts under way in the Pentagon to "rebalance" responsibilities between active-duty and Reserve forces. At present, a number of military responsibilities that are required for combat are assigned to the Reserves, and Mr. Rumsfeld has said he wants those jobs transferred to active-duty forces. He also wants to make the mobilization process more predictable to guarantee reservists adequate time to prepare for returning to service.

At the same hearing, General Abizaid, the commander of American forces in the Middle East, said that the National Guard and Reserve forces in the region had been essential. "We couldn't get the job done without them," he said. "It isn't a matter of 'nice to have,' it's a matter of 'must have.' "

General Abizaid said that the total number of American forces required in Iraq next year would be determined by international contributions and "the ability of Iraqis to take care of the security situation."

The Army now plans yearlong duty for its soldiers in Iraq. While troops are sent to Korea for a year, and the first round of American peacekeepers in the Balkans spent 12 months in Bosnia, yearlong deployments have not been assigned to such a large number of American troops since the war in Vietnam.

To ease the strain of long deployments, the Pentagon plans to allow active-duty and Reserve troops in Iraq to take two weeks of vacation midway through 12-month tours, officials said. Under the plan, the troops will be flown at military expense to certain airports in the United States; travel from those points will be at personal expense.

Senator KENNEDY. You wonder why there's concern that we don't have a plan? This is what we have as the plan from the administration that was provided to us. It's 28 pages. It's in draft form, "Working Document," July 23.

[The information referred to follows:]

Coalition Provisional Authority
Baghdad, Iraq

Achieving the Vision to Restore Full Sovereignty to the Iraqi People

(An Overview)

Introduction

This progressive plan is an overview of the strategy necessary for early restoration of full sovereignty to the Iraqi people. The strategy is driven by more detailed action plans (e.g., plans for the New Iraqi Army, the police, restoring electrical power, etc.).

Our strategy has four principal objectives or 'core foundations':

- **Security** – establishing a secure and safe environment
- **Essential services** – restoring basic services to an acceptable standard
- **Economy** – creating the conditions for economic growth
- **Governance** – enabling the transition to transparent and inclusive democratic governance

These objectives are intertwined: none can be pursued in isolation. Political and economic progress depends in part on security, but should itself help to create a safer environment.

L. Paul Bremer, Administrator
Coalition Provisional Authority

Summary

Now that Saddam Hussein's regime has been removed, the Iraqi people have the opportunity to realize the President's vision of a stable, prosperous and democratic Iraq. The Coalition Provisional Authority (CPA), in close partnership with the Iraqi Governing Council, the United Nations, and the international community, has a key role to play in the next stage of rebuilding Iraq.

This document describes the CPA's strategy for carrying out its role in this historic process. While the CPA remains the legally sovereign power in Iraq, we now have a significant partner in the Governing Council (GC) of the Interim Administration. That Council represents the voice of the Iraqi people to the CPA, and to the world. Together the CPA and the GC will forge a partnership that will guide the nation forward in its transformation.

This document is designed to direct the work of the CPA and the coalition militaries in a flexible manner that recognizes the need to retain the support of the Iraqi people in all that we do, knowing that their support is vital to our success. It is also aimed at the international community whose political and financial backing will be essential if our overall objectives are to be achieved. The plan recognizes the need for further planning in coordination with the GC as the process of rebuilding Iraq evolves. While full economic recovery will take years, the economic reform program provides a vision of a future of freedom and prosperity towards which we and the GC will work in the short term.

The plan describes key action steps within the various core elements that determine the CPA's priorities in the short, medium and long-term. From this, we can review what we have achieved and where we need to adjust. Finally, the plan will assist us and the Governing Council to allocate our resources and those of Iraq. It will also assist in attracting critical resources and capabilities from the international community.

The CPA Vision

After decades of a ruthless dictatorship, the Iraqi people can at last control their destiny and establish the conditions for a free and stable future. With the international community, the CPA will help the Iraqi people achieve the President's and Prime Minister's vision for Iraq - a free Iraq governed by a representative government chosen through democratic elections. At the core of this new Iraq is the development of a democratic, accountable, and self-governing civil society respectful of human rights and freedom of expression. The future prosperity of Iraq's citizens depends on the use of Iraqi resources to foster the development of a market-based economy. This needs to be done in a manner that is economically, socially and environmentally sustainable for the long term benefit of all Iraqi people. Furthermore, our goal is an Iraq at peace with itself and its neighbors, once again able to play a responsible role in the international community. The Coalition is firmly committed to the future of Iraq. The CPA succeeds when Iraq succeeds. Hence we will stay as long as necessary, and not a day longer. But we will not leave until we have succeeded in carrying out the President's and Prime Minister's vision. Our foundation of authority is firmly embedded in international law and in accord with United Nations Security Council Resolution 1483.

The Mission

The CPA will work with the Iraqi people and the Iraqi Interim Administration to establish the conditions for a free, sovereign, democratically-elected representative government. We want to work with Iraqis to establish an Iraq that uses its resources for the benefit of its people. It should be an Iraq that is stable, united, prosperous, at peace with its neighbors and able to take its rightful place as a responsible member of the region and the international community. This Iraq must be free of weapons of mass destruction and terrorists.

The End-State

The ultimate goal is a unified and stable, democratic Iraq that: provides effective and representative government for the Iraqi people; is underpinned by new and protected freedoms for all Iraqis and a growing market economy; is able to defend itself but no longer poses a threat to its neighbors or international security.

ACHIEVING THE VISION

Taking Forward the CPA Strategic Plan for Iraq

Goal

The primary goal of the Coalition Provisional Authority (CPA) is the early restoration of full sovereignty to the Iraqi people. We seek:

"a unified and stable, democratic Iraq that provides effective and representative government for the Iraqi people; is underpinned by new and protected freedoms and a growing market economy; is able to defend itself but no longer poses a threat to its neighbors or international security."

A major step towards that goal was taken on 13 July, with the establishment of a Governing Council of 25 Iraqis representing all major strands of Iraqi society. The Council will have substantial powers. It will appoint Iraqi Ministers and approve budgets. It will be consulted on all major policy issues and on our planning for the transfer of power to a sovereign Iraqi government.

Strategy

Our strategy has four principal objectives or 'core foundations':

- **Security** – establishing a secure and safe environment
- **Essential services** – restoring basic services to an acceptable standard
- **Economy** – creating the conditions for economic growth
- **Governance** – enabling the transition to transparent and inclusive democratic governance

These objectives are intertwined: none can be pursued in isolation. Political and economic progress depends in part on security, but should itself help to create a safer environment.

Security

Coalition forces will help Iraqis to eliminate the threats to their security and will remain in country for as long as they are needed. **Over time the transfer of security responsibilities to local military and police forces will determine the speed with which we can advance reconstruction and build up institutions of good governance.**

The Iraqi people are already contributing to that effort but must acquire the ability to assume full responsibility for meeting the country's security needs as soon as practicable – thus enabling the draw-down of coalition forces. Our priorities therefore include:

- Development and training of Iraqi security forces, including a new Iraqi army, new civil defense corps and an effective police force
- Development of national security and civilian oversight mechanisms
- Measures to ensure border security
- Measures to build the justice system and improve the penal system
- Ensuring that Iraq is free of weapons of mass destruction.

Essential Services

Effective delivery of basic services is a major priority for the Iraqi people and the CPA. Our program involves:

- Reconstituting the power infrastructure
- Improving water resource management
- Ensuring food security
- Improving health care – quality and access
- Rehabilitating key transport infrastructure

- Improving education and housing - quality and access
- Reconstructing the telecommunications system.

The Economy

To realize the country's full potential for economic growth, Iraq will need initially to:

- Build financial market structures
- Promote private business
- Determine the future of state-owned enterprises.

Policy work is also in progress on:

- Monetizing and phasing out subsidies, while building a social safety net
- Designing an oil trust fund
- Reform of the tax system.

Governance

Iraq has suffered from decades of tyranny. **Effective representative government, sustained by democratic elections, requires the rapid development of new frameworks and capacities**, including:

- A constitution drafted by Iraqis and approved by Iraqis
- Institutions and processes to conduct free and fair elections
- Open and transparent political processes
- Measures to improve the effectiveness of elected officials, including strengthened local government systems

- Effective and fair justice systems
- Respect for the rule of law and human rights
- Creation of a vibrant civil society.

Information

Strengthening the media is essential for the development of healthy democracy in Iraq. This will require legislation to protect free speech as well as to regulate broadcasting and promote responsible journalism. Professional bodies have a role to play in setting journalistic standards.

The transitional administration in Iraq must ensure that our policies are communicated accurately and effectively at all times to the Iraqi people. **The CPA's communications strategy is designed to get our message out in an honest, clear and timely way** – and then to take account of the responses of the Iraqi people, including their expression through the media.

Resources

It is difficult at this point to quantify the external assistance needed to support Iraq's transition to representative government and a market economy. Eastern European experience suggests that a substantial international commitment will be needed. But Iraq starts the process at a lower level of economic and political development. Its energy resources have been badly mismanaged for decades, leaving the country unable from its own resources at present to provide an acceptable living standard for its people.

Clearly, the United States and the international community and institutions must take the lead. **Only a co-ordinated international effort can bring prosperity and stability to the Iraqi people and contribute to a lasting peace in the Middle East.**

Planning

Our planning, which is a dynamic and iterative process, involves:

- An unprecedented joint civilian and military CPA/CJTF7 planning process to produce a joint strategic plan – the military contribute vitally to all key objectives

- A comprehensive and evolving plan for the short, medium and longer term, but

- Necessary flexibility to change, and to learn from experience.

Attached charts give further details of the sectoral plans being taken forward in military and Ministerial plans.

Vision for Security: *Enable Iraqis to assume responsibility for their own security environment and be secure in their own person and their property to engage in the economic and political commerce of the nation.*

SECURITY

State 1: Aug – Oct 03	State 2: Nov 03 – Jan 04	State 3: Feb 04 onwards
Achieve a Secure and Stable Environment and Transition Responsibility for Maintaining it to Iraqi Security Forces		
1. Defeat internal armed threats. (CJTF-7)	1. Continue. Transfer responsibility to CPA/NMDS.	1. Continue. Transfer responsibility to Iraqis.
2. Undermine support for paramilitaries. (CPA)	2. Continue. Begin to transfer responsibility to Iraqis.	2. Transfer responsibility to Iraqis.
3. Deter external aggression and subversion. (CJTF-7)	3. Transfer responsibility for borders from CJTF-7 to CPA/Ministry on Interior (MOI).	3. Transfer external security responsibility from CJTF-7 to Ministry of National Security and Defense/ Iraqi security institutions.
4. Locate, secure, and eliminate WMD capability (CJTF-7)	4. Continue to locate, secure and eliminate WMD capability as needed. (CJTF-7)	4. Continue to locate, secure and eliminate WMD capability. (CJTF-7)
5. Eliminate munitions caches, unexploded ordinance and excess military equipment (CJTF-7) (>9500 Tons of munitions)	5. Begin to transfer responsibility for elimination of munitions caches to CPA/ Iraqi institutions. (CJTF-7)	5. Transfer responsibility of munitions caches to Iraqis. (CJTF-7)
Provide Public Security, Policing, Reform, Transfer of Police Executive Authority to Civilian Authorities		
1. Provide basic law and order using Coalition forces. (CJTF-7) (3400 Patrols per day, mostly urban security)	1. Increasing numbers of patrols in high crime areas around sensitive institutions. (CJTF-7)	1. Transfer responsibility for maintaining law and order to Iraqi police. (CJTF-7)

State 1: Aug – Oct 03	State 2: Nov 03 – Jan 04	State 3: Feb 04 onwards
2. Recruit vet, train and employ local Iraqi police on joint patrols. Joint manning of local police stations. (CJTF-7) (>30,000 police on duty)	2. Transfer responsibility for local law enforcement to local Iraqi police. (CJTF-7) (38,000 police on duty)	2. Transfer national planning oversight responsibility to Iraqi government. (CPA) (67,000 police on duty)
3. Develop police training curriculum. (CPA/MOI)	3. Transfer responsibility for law enforcement planning and oversight to CPA MOI, Ministry of Justice (MOJ). (CJTF-7)	3. Establish civilian policy review board. (CPA/MOI)
	4. Begin establishing civilian oversight of police. (CPA/MOI)	4. Revise police training and continue training at national level training center. (CPA/MOI)
	5. Begin police training at national level training center. (MOI)	
Develop Iraqi Security Forces Which are Effective in Protecting the Society and Constitutional Order, Respect Human Rights, and are Responsive to Civilian Control		
1. Conduct De-Ba'athification of security forces.	1. NIA Bns 2-4 trained and deployed.	1. NIA Bns 5-9 trained and deployed.
2. Establish and begin training New Iraqi Army (NIA), Facility Protection Service (FPS).	2. Long-term acquisition programs and logistical support activities established.	2. Training increasingly shifted to Iraqis.
3. Iraq Civil Defense Corps (ICDC). First cohort, 8 Bns.	3. Specialized and logistical units, armor, air and naval components.	3. ICDC folded into FPS, phased out or other disposition.

State 1: Aug – Oct 03	State 2: Nov 03 – Jan 04	State 3: Feb 04 onwards
4. Establish systematic stipend and pension payments (Iraqi military and Kurdish PeshMerga).	4. FPS fully certified by MOI.	4. Stipends, job inventory, training for ex- paramilitaries (PeshMerga, Badr Corps).
5. Obtain Foreign Military Financing/International Military Education and training (FMF/IMET) allocation for FY 2004 (U.S.) + other coalition professional military education (PME) training support commitments.	5. Second cohort (5 Bns), third cohort, (5 Bns) ICDC deployed.	5. FMF- financed imports of arms begin.
	6. Decision on future of ICDC	
	7. Decision on future of paramilitaries (PeshMerga, Badr Corps).	
	8. Begin IMET, other PME.	
Develop Iraqi Military and National Security Oversight Mechanisms to Ensure Civilian Control		
1. Vetting system in place and tested.	1. Begin training for national security positions	1. MNDS within ministry budget.
2. NIA Establishing Order, Disciplinary Order issued.	2. Advisory commissions report.	2. Budget allocations and national security policy guidance originating from the Governing Council and NSC.
3. Establish control over Military Industrial Companies (MIC) assets and personnel.	3. Implement decisions on MIC/SOE (State Owned Enterprises).	3. IOM DOL job matching continues.

State 1: Aug – Oct 03	State 2: Nov 03 – Jan 04	State 3: Feb 04 onwards
4. Initial decisions on MIC/SOE plan to establish/restart local defense industry.	4. Plans made for integration of most military support into civil economy and in conjunction with other ministries.	
5. Brief Governing Council (GC) on initiatives.	5. GC approves FY 2004 (Iraqi) budget.	
6. Ministry Advisory Teams (Iraqis) appointed.	6. GC approves MOD plains for NIA senior staff.	
7. Prepare and approve FY 2004 budget.	7. IOM/DOL job matching program begins.	
8. International Organization of Migration (IOM)/Department of Labor (DOL) registration for employment transition program.		
Border Security		
1. Re-establish Iraqi Border Guard. (CJTF-7)	1. Transition border guard responsibility to CPA/MOI.	1. Transition border guard responsibility to Iraqis. (CPA/MOI).
2. Recruit, vet and train and employ Iraqi border guards jointly at border crossing sites (CJTF-7) (9 of 30 sites manned by Iraqis)	2. Establish national administration of border guard, customs. (CPA/MOI) (still 9 of 30 sites manned by Iraqis)	2. Continue to conduct reconnaissance, surveillance of border. (CJTF-7) (all sites manned by Iraqis)

State 1: Aug – Oct 03	State 2: Nov 03 – Jan 04	State 3: Feb 04 onwards
Assist Iraq in Developing a Constructive Security Relationship Within the Region and with the Coalition		
1. Develop concept for PME exchanges with region and coalition. 2. Solicit PME quotas, equipment contributions and training support.		1. Permanent mutual security arrangements agreed and in place. 2. Address opportunities for possible multi-lateral mutual security arrangements within region
Vet and Select Judges, Build Justice		
1. Deploy international advisors on criminal justice. (CPA/MOJ) 2. Start Central criminal Court (CCC) trials. 3. Open all courthouses in Iraq. (CPA/MOJ) 4. Vet all judges and prosecutors in Iraq. 4. Introduce judge training seminars (CPA/MOJ)	1. Amend the order creating the CCC to allow prosecution of crimes against humanity and war crimes. (CPA/MOJ) 2. Integrate international prosecutors, judges, into CCC if CCC is unable to cope. (CPA/MOJ)	

State 1: Aug – Oct 03	State 2: Nov 03 – Jan 04	State 3: Feb 04 onwards
Re-write the Criminal /Civil Code		
1. Review existing penal code and draft emergency order to remove provisions that are inconsistent with human rights. (CPA/MO	1. Draft emergency order to address terrorism, gangs and organized crime. (CPA/MOJ)	1. Assist in drafting a comprehensive Iraqi penal code. (CPA/MOJ) 2. Transition legislation to Iraqis. (CPA) 3. Assist in Revising the Iraqi Civil code. (CPA)
The Penal System		
1. Establish detention centers. (CJTF-7) 2. Re-establishment of jails and prisons. (CJTF-7) 3. Establish eleven prisons and detention centers. (CPA/MOJ)	1. Transition responsibility for penal system to CPA/Iraqi officials. 2. Establish juvenile detention facilities (CPA/MOJ) 3. Create Iraqi correctional service.(CPA/MOJ)	1. Develop work release, probation/parole. (CPA/MOJ) 2. Transition penal system to Iraqis. (CPA/MOJ)

Vision for Essential Services: *Restoration of Essential Services to acceptable standards, repair infrastructure necessary to return to normal and improving the social and physical infrastructures that benefits the population.*

ESSENTIAL SERVICES

State 1: Aug – Oct 03	State 2: Nov 03 – Jan 04	State 3: Feb 04 onwards
Stand-up reformed ministries of Agriculture, Health, Education, Irrigation, Public Works, Transportation & Communications and Labor & Social Affairs.	Reorganize ministries.	Transition ministries to Iraqi leadership.
Re-constitute Power Infrastructure		
1. Improve generating capacity to 4,000 Megawatts (from 2700 in May '03)	1. Increase generation capacity to 5000 MW by Jan 2004.	1. Continue to build new capacity to reach 7000 MW by 2005 and 14,000 by 2009.
2. Draft policy reform through Electricity Commission.	2. Implement policy reforms with Iraqis.	2. Continued enhancement of regulatory framework.
3. Halt sabotage, stabilize & rebuild delivery infrastructure.	3. Improve power delivery infrastructure.	3. Continue.
Re-construct Telecommunications System to Pre-war Levels and Introduce Advanced Technologies		
1. Repair damage.	1. Continue repair; build new capacity.	1. Introduce advanced technologies.
2. Draft telecom regulatory framework.	2. Implement new policies.	2. Privatize and increase private sector investment.
3. Let mobile licenses.	3. Initial mobile coverage in major cities.	3. National mobile network.

State 1: Aug – Oct 03	State 2: Nov 03 – Jan 04	State 3: Feb 04 onwards
Ensure Food Security for all Iraqis		
1. Assure supply of critical inputs.	1. Initiate land use planning	1. Develop land tenure and farm credit system.
2. Plan research/extension service.	2. Develop research/extension svc.	2. Continue development.
3. Renegotiate Oil-for-food (OFF) contracts, maintain Public Distribution System (PDS), identify transition process.	3. Maintain PDS, coordinate transition.	3. Phase-out PDS, ensure social safety net.
Increase Access to Housing		
1. Formulate Housing Finance Strategy.	1. Develop private sector financing	1. Deepen private sector financing.
2. Titling – identify constraints.	2. Modernize titling system.	2. Continue to develop tilting system.
3. Develop privatization strategy.	3. Prepare for privatization.	3. Privatize.
4. Identify construction sector delays.	4. Address bottlenecks.	4. Develop public-private partnerships.
Improve Quality and Access to Health Care		
1. Restore basic health care services to 95 to 100% of pre-war levels.	1. Enhance primary care, prevention and wellness services.	1. Achieve public health benchmarks.

Essential Services - 2

State 1: Aug – Oct 03	State 2: Nov 03 – Jan 04	State 3: Feb 04 onwards
Improve Quality and Access to Education		
1. Distribute revised textbooks.	1. Initiate curriculum reform at all levels.	1. Complete & implement reforms.
2. Rehabilitate 1000 priority schools.	2. Ensure availability of school supplies.	2. Continue infrastructure rehabilitations.
3. Stand-up higher education institutions.	3. Grant greater autonomy and improve access.	3. Autonomous university system.
Improve Water Quality, Delivery & Resource Management		
1. Assess irrigation needs, initiate priority actions.	1. Improve O&M, continue construction projects.	1. Complete construction, ensure O&M.
2. Develop long-term Marshland strategy.	2. Pilot projects.	2. Implement full strategy.
3. Repair and upgrade water & sewage treatment facilities.	3. Continue repairs; expand networks.	3. Improve quality, expand coverage, & ensure sustainability.
Rehabilitate and Restore Economically-Strategic Transportation Infrastructure.		
1. Re-open airspace & airports.	1. Increase private sector funding.	1. Improve quality & safety of service.
2. Ensure commercial operations of port.	2. Develop transition plan.	2. Turn over all port operations.
3. Operate railroad.	3. Repair & improve rail network.	3. Turn over to Iraqis.

State 1: Aug – Oct 03	State 2: Nov 03 – Jan 04	State 3: Feb 04 onwards
Convert social service programs into economic development tools.		
1. Stand up reformed ministry and transition to Iraqi leadership.	1. Hire and train additional social care and employment service specialists.	1. Reformed social care and training programs fully staffed, funded and managed.
2. Develop and coordinate employment centers and vocational training institutes.	2. Assess and register unemployed in national employment and training services program.	2. Training institutes begin teaching unemployed new, marketable skills.
3. Eliminate discrimination by providing equal access to services and benefits to all eligible constituents.	3. Complete national labor market survey, permitting effective, national management of resources that assist eligible constituents.	3. Revise programs according to eligible constituent demand, providing quick, targeted assistance to populations in need.

Vision for Economy: *Initiate economic policy reforms that lead to a growing private sector, free of corruption and burdensome regulation, which will deliver rising living standards to the Iraqi people.*

ECONOMY

State 1: Aug – Oct 03	State 2: Nov 03 – Jan 04	State 3: Feb 04 onwards
Build Financial Market Structures		
1. Functioning Central Bank:		
• Central Bank (CB) law by early September. • Implement modern inter-bank payments by end of October.	• Promulgate Central Bank regulations for bank oversight. • Build capability to conduct independent monetary policy.	• New regime for Central Bank oversight and regulation of banks.
2. Introducing new banknotes (announced 7 July):		
• Publicity campaign for distribution of new banknotes.	• Banknote conversion October 15 – January 15	
3. Transparent budgeting, accounting systems:		
• Build into 2004 Budget (target Sept. 2004) prior to October donor conference.	• First drafts for 2005/2006 budgets.	• Develop unified "Treasury" system for national budget (essential for donor/IFI confidence)
4. Commercial banking system:		
• New law on commercial banking, including foreign bank entry, by late September.	• Promulgate regulations on commercial banking and foreign bank entry.	

State 1: Aug – Oct 03	State 2: Nov 03 – Jan 04	State 3: Feb 04 onwards
• Complete assessment of bank solvency. • Let private management contracts on the two large state banks (Rafidain and Rasheed)	• Implement strategy on privatization, consolidation, or liquidation of commercial banks. • Award private management contracts for state banks	• Issue licenses for the entry of foreign banks.
Promote Private Business/SMEs		
1. Streamline existing commercial code/regulations. 2. Reduce restrictions on investment.	1. Credit programs for SMEs. 2. Set up investment promotion board, one-shop shopping to inform investors.	1. Commercial bank intermediation of business credit.
Reform of Tax System		
1. Initial measures to stabilize revenues (reconstruction tax/excises).	1. Overhaul tax systems (e.g. VAT) to construct investor friendly system and stabilize revenues.	1. Train and establish new tax administration. Implement new tax policies.
Remove Subsidies/Target Social Safety Net		
1. Quantify subsides and implicit social support to individuals.	1. Oil-for-Food into cash-based ("monetized") system.	1. Phase removal of other subsidies (e.g. oil and electricity prices) with better-targeted safety net.

State 1: Aug – Oct 03	State 2: Nov 03 – Jan 04	State 3: Feb 04 onwards
Policy Toward SOEs		
1. Small-scale privatization/leasing of competitive SOEs. 2. Hard budget constraints.	1. Assessments of larger SOEs to determine suitability for privatization or shutdown.	1. Develop Privatization Agency to carry out SOE sales.
Design Oil Trust Fund		
1. Finalize existing proposal for oil trust fund.	1. Create a legal and financial basis for trust fund for FY2004.	1. Begin trust fund operations.
Open Economy		
1. Permanently reduce or zero-out tariffs. 2. Trade credit facility to open in August.	1. Liberalization of transport and telecom sectors consistent with World Trade Organization (WTO).	1. In advance of WTO negotiations, address non-tariff barriers to trade.
Human Resource Development		
1. Establish a national strategy for vocational and technical training, including information technology.	1. Survey market to develop a "school-to-work program."	1. Begin training and exchange programs.

Vision for Governance: *To support Iraq's transition to a representative form of government by supporting transparent electoral processes, strengthening political institutions, increasing the effectiveness of elected officials, and promoting the rule of law.*

GOVERNANCE

Short Term	Medium Term	Longer Term
Civic Education/Civil Society		
1. Civic education programs promoting electoral participation and democratic ideals: • Set requirements for foundations of democracy. 2. Development of issue based civic organizations.	1. Training and educational programs to support constitutional reforms and elections on: • Civic rights. • Respect for Human Rights. • Voter registration and participation.	• Civic education program on constitutional referendum – promoting voter participation and constitutional legitimacy. • Civic education program on participation in elections.
Free and Independent Media		
1. Support independent media: • Micro lending to new media outlets. • Draft media law. • Media Commission. • Startup a spectrum and content management regulatory body. • Ethics training for journalists.	• Media training. • Promote media associations and a code of conduct. • Administrative bodies to arbitrate libel disputes.	• Viable, free and independent media.

Short Term	Medium Term	Longer Term
Constitution Support to Legitimate Constitution that Protects the Rights of All		
1. Support GC on authorization for creation of a Preparatory Constitutional Commission. 2. Drafting infrastructure. 3. Preparatory Constitutional Commission.	1. Convene a Constitutional Assembly. 2. Public participation/legitimacy campaign.	1. Referendum.
Capacity for Elections – *Capacity and controls to conduct elections*		
1. In consultation with GC support a National Electoral Commission. 2. Promote terms of work and enforcement functions for national, regional and local elections bodies.	1. Assessment of existing electoral infrastructure. 2. Draft model election laws. 3. Infrastructure for national, regional and local electoral commissions. 4. Set up for election commissions. 5. National voter registration drive 6. Election monitoring (OSCE).	1. Support polling site locations. 2. Computers and administrative requirements for registration. 3. Elections for national legislative body. 4. Subsequent regional and local elections.

Short Term	Medium Term	Longer Term
Political Party/Association Development – *Develop sustainable political movements*		
1. Support political movements : • Engage international NGOs. • Set up democracy support centers for training and party organization, and message. • Promote local and regional party organizations that support national political movements.	• Coalition building among parties. • Party participation in constitutional referendum.	• Training on electoral techniques. • Political caucuses/conventions to select candidates. • Election monitoring.
Expanding Political Participation - *Providing women and youth with necessary skills*		
1. Establish exchange programs. 2. Leadership training. 3. Civic advocacy training.	• Providing public speaking and leadership training to women and youth. • Assisting advocacy groups with a focus on women and youth. • Promoting participation of women and youth in the constitutional process.	• Political training for women and youth candidates.

Short Term	Medium Term	Longer Term
Independent Electoral Capacities		
1. Support independent political capacity: • Think tanks. • Political consultants. • Pollsters. • Advertising.	• Provide training on organizational sustainability	
2. Polling techniques and methodologies training.	• Contract with indigenous polling organizations to provide public opinion data • Develop linkages between international polling firms and indigenous organizations	
Human Rights –*addressing past atrocities and promoting a culture of respect for human rights*		
1. Raise awareness of mass Graves/Missing Persons: strengthen reconciliation.	1. Support establishment of permanent human rights institutions.	1. Promote culture of respect for Human Rights.
2. Human Rights Archive.	2. Promote an office of equal protection.	
3. Workshops to discuss Human Rights Commission and National Action Plan for Human Rights.	3. Transfer evidence of human rights violations to Iraqi authorities.	

Short Term	Medium Term	Longer Term
Transitional Justice – *Support an impartial and transparent legal system*		
1. Support an impartial and transparent legal system: • Central Criminal Court to prosecute human rights abuses • Property Reconciliation Facility, including voluntary resolution of property claims. • International Property Arbitration Commission. • Technical assistance to the Judicial Commission.	• Support development of investigative capacity. • Promote legal training for court officers.	• Working Judicial System.
Local Governance - *Improve provision of public service at the local governance level*		
1. Establish uniform standard for selection of local assemblies and executives 2. Local officials training: • Constituent interaction. 3. Strengthen local government. 4. Open and transparent management practices.	• Professional staff development for municipal employees. • Decentralize provision of basic services. • Public hearings on budgeting and provision of services.	1. Local elections

Short Term	Medium Term	Longer Term
Ministries – *Transition from Coalition authority to Iraqi authority*		
1. Appointment of Interim Ministers by Governing Council.	1. Support services to regional and local governments.	1. Provide technical advice to independent Ministries.
2. Continued De -Ba'athification.	2. Resolution of outstanding issues on dissolved entities.	
Open and Transparent Government		
1. Ethics in government, transparency and accountability of officials: • Transparent government financial management practices • Training for GC staff (preparatory training materials for eventual parliamentary staff). • Constituent relations training at local, regional and national level. • Anti-corruption efforts.	• Promote establishment of an Inspector General's office.	

Governance - 6

Senator KENNEDY. This is an insult to the troops and an insult to Congress. We want to know where the policy is. Where the policy is.

You could just review some of these items in security. August 1 through October 3, locate and secure and eliminate WMD. November 3 to January 1, continue to locate and secure WMD. February 4 onward, continue to locate and secure, eliminate WMD.

Is this the best that this administration can do in terms of developing a plan that is going to have, not only the support of the American people, but also the international community, and that

offers us the best hope to provide some relief to our troops, and to bring democracy to Iraq and hopefully bring our troops home with honor?

Mr. Ambassador?

Ambassador BREMER. Thank you, Senator.

First, just let me react to one of those citations, which I somewhere missed, about I was coming back to say the situation was bleak. I don't know where that came from. It certainly was not——

Senator KENNEDY. That——

Ambassador BREMER.—certainly was not——

Senator KENNEDY. That was in The New York Times.

Ambassador BREMER. Well——

Senator KENNEDY. Elisabeth Bumiller, New York Times.

Ambassador BREMER. Okay.

Senator KENNEDY. I believe it's September 22.

Ambassador BREMER. All I'm saying is, that's not my message.

Senator KENNEDY. All right. Well——

Ambassador BREMER. Anybody who——

Senator KENNEDY. If I can——

Ambassador BREMER.—quotes me——

Senator KENNEDY. All right, let me just——

Ambassador BREMER.—as saying that the situation is bleak——

Senator KENNEDY. In fairness to you——

Ambassador BREMER.—is inaccurate.

Senator KENNEDY.—just indicate the—and I'll ask that this be in the record [see previously inserted article]—"Iraq and Ailing Economy, Bush Aides on Edge." Then it says, "A new concern began this summer, one official said, when Bremer, the American, traveled to Washington to tell Mr. Bush, among others, the situation was bleak in Baghdad, he needed billions of additional dollars for the kind of security and reconstruction—administration began a troop withdrawal within a year. Although no administration official says so explicitly, the White House goal is to show substantial improvement in Iraq before next fall's elections." Next fall's elections. That bothers a lot of us. That's inaccurate?

Ambassador BREMER. Yes, sir. That bothers me as much as it bothers you.

Senator KENNEDY. Okay. You're saying that you didn't talk——

Ambassador BREMER. It was not part of our conversation.

Senator KENNEDY.—you didn't have the conversation with the President?

Ambassador BREMER. I never said the situation in Baghdad was bleak. I've had many conversations with the President. I'm just objecting to somebody else characterizing how I report to the President. We have difficulties in Iraq. If we didn't have difficulties, I wouldn't be here before you asking the American taxpayer to put another $20 billion up.

We've heard some citations from some polls. I do not believe it is accurate to say that resentment is growing. I think it is correct to say that we need to move urgently now to head off a problem of not being able to have essential services and security for Iraq.

The main thrust of this request, Senator, as you have pointed out, is for security, to get the Iraqis to take more of the security

onboard, and to restore essential services. That's the main thrust. I believe it's urgent. I believe we must do it.

In answer to the previous question from Senator McCain, I said I think if we don't do it, the consequences for American troops and American interests will be severe.

Senator KENNEDY. Thank you.

Chairman WARNER. Senator Inhofe.

Senator INHOFE. Thank you, Mr. Chairman. Senator McCain talked about the poll that was out yesterday, and I wasn't at all surprised when I read this morning that 74 percent of the people believe that they (Saddam Hussein and his close advisors) should be punished. They appreciate our presence there and getting them out from under tyranny, and this is consistent with informal polls that we heard about when you and I were together, all of us were together over in Baghdad. I suspect that the majority of the Members sitting before you in the United States Senate here at this table have been to Iraq, and I would suggest that the senior Senator from Massachusetts pay Iraq a visit, talk to the troops, talk to the people, talk to the citizens who come up to us in the street thanking us for what we've done in this liberation.

It disturbs me a little bit when we have a hearing like this—and we've had many. I agree with the chairman; I appreciate so much your making yourselves available, both of you. But people are watching, and when you hear the term which has been mentioned three times so far since we started this hearing, "cut and run," I just hope that the American people know that probably I would suspect the majority of us up here would say that if there's one thing that should be taken off the table, it would be cut and run.

Senator Akaka and I started the Army Caucus a couple of years ago, and yesterday morning we had General Schoomaker, the new Chief of Staff. He made a statement. He said, "This war is about the will of the American people." He said that those attacking our troops are attacking our will and we cannot afford to cut and run.

I strongly suspect that now the American people, after having seen the results of cutting and running, which is essentially what happened in 1991, realize, after looking at the mass graves, after knowing about the 328 kids under 12 years old lined up and executed summarily, about the school buses where the kids were buried alive. I can recall that first freedom flight in 1991 after the war was over. Several of us, about five of us went over there. In fact, they didn't even know the war was over, but seeing the torture chambers, seeing a little boy with his ear cut off for carrying around an American flag, I don't think any American should ever think about cutting and running.

Ambassador Bremer, when we met, you provided us with a rough time line, and it happened coincidentally that while we were there they had the bombing of the U.N. facility. Of course, obviously that changes time lines. I applaud you for your event-driven time line and would encourage you not to come up and be forced into any kind of a time-driven time line, because that's not the way it works over there. This has to happen and it has to happen right.

General Abizaid, I've read some things in some of the newspapers about the 101st Airborne in the north and the 1st Marine

Division in the south and perhaps some kind of a lack of coordination with the CPA. Do you have any comments to make about that?

General ABIZAID. Sir, I think that the 1st Marine Division, of course, just recently left and 101st has been up in the north in Mosul for a long time. In the early days, it was clear that we had the capacity to do a lot of work and so I wouldn't call it lack of coordination, I would say that before Ambassador Bremer got there that they were essentially moving out on their own azimuth to achieve what they thought was the right thing to do. Over time, Ambassador Bremer has set the policies, and we've had to bring the policies in-line. Sometimes that necessarily hasn't been in the interest of what some of the commanders up there wanted to do, but they know whose policy line they follow.

I think today coordination is good. Ambassador Bremer visits up there all the time with all the commanders, as do I. What the commanders want more than anything else is Ambassador Bremer's money.

Senator INHOFE. Thank you, General. Ambassador Bremer, there was some discussion over there when we were there about whether or not the CPA has the adequate organizational infrastructure to accomplish your goals and missions. Do you have any comments to make about that?

Ambassador BREMER. I think it is the case that the buildup of the civilian part of the coalition authority was somewhat slow in the May/June time frame, but since the visit of, for example, John Hamre, who was over doing a study on behalf of Secretary Rumsfeld—he was there in late June and noted that we didn't have enough people in the CPA—I now have six times as many people working for me as I did on July 1.

Senator INHOFE. Thank you very much. Then, lastly, my time has expired, but, General Abizaid, Senator McCain talked about the force structure there in your area. I would like to have you, for the record, since there isn't time in my time here, respond to my concern and the concern of many people at this table of the overall end strength and the overall force structure in terms of all the way around the world and other potential problems we might have, with specific emphasis on the Guard and Reserves. If you could give me your analysis of that for the record, I'd appreciate it very much. Thank you, Mr. Chairman.

[The information referred to follows:]

I can speak only for the United States Central Command (CENTCOM). Unlike many other commands, CENTCOM does not have assigned forces. When the situation in our area of responsibility (AOR) requires action necessitating the use of United States forces, we identify capabilities needed to accomplish the mission. The Joint Staff in turn asks the Services to meet these capabilities. We are concerned with whether we are able to accomplish the mission with the capabilities the Services have provided. Title 10 of the United States Code clearly places responsibility for organizing and equipping (force structure) on the Services. The essential requirement is that we properly and clearly identify capabilities in long-term planning so the Services may build force structure to meet future mission needs.

Chairman WARNER. Thank you very much for asking that question to be put into the record, Senator Inhofe. I appreciate the cooperation of all members. We will be able to get to a second round.

Senator Akaka.

Senator AKAKA. Thank you very much, Mr. Chairman. I want to add my thanks to Ambassador Bremer and General Abizaid for your great service to our country and I want to tell you that we owe both of you a debt of gratitude for your efforts under very difficult circumstances. I want to ask that my statement be included in the record, Mr. Chairman.

[The prepared statement of Senator Akaka follows:]

PREPARED STATEMENT BY SENATOR DANIEL K. AKAKA

Mr. Chairman, I would like to add my thanks to the witnesses here today for their great service to our country. The Nation owes them both a debt of gratitude for their efforts under very difficult circumstances. Thank you, General Abizaid, and thank you, Ambassador Bremer.

Mr. Chairman, I will support additional funding for our troops in Iraq. This committee has a tremendous record of supporting our military both in peace and in war. We want to do all we can to ensure that our troops are the best prepared, the best supported, and the best led in the world. Seeing General Abizaid before us today is a telling example that the American military is the finest.

But we would not be doing our job of supporting our American fighting men and women in Iraq if we did not raise in today's hearing key questions about our postwar strategy in Iraq.

I have concerns about the lack of information regarding the funding in the administration's proposal for reconstruction. We need to know what our reconstruction plans are, how much they will cost, how long will they take, how many more troops will be required, and when will troops leave. These are the same questions our servicemen and women, their families, and other Americans are asking. They deserve answers.

I opposed going to war with Iraq because I believed that we needed to take more time to prepare for the postwar situation and I saw no imminent and direct threat to American interests by Iraqi WMD.

As chairman of the International Security and Proliferation Subcommittee of the Governmental Affairs Committee, I had chaired some of the first hearings into Iraq's WMD program. As a result, I believed then and I still believe that Iraq's WMD programs did not pose such an immediate threat to the United States that we could not take the time to prepare adequately for war and the postwar situation.

Now the President is requesting an additional $87 billion in supplemental funding for our military and reconstruction efforts. Again, I fully support the funding for the troops. I have difficulties with the approximately $20 billion which is included under the category of reconstruction or infrastructure. We need to take the time to discuss thoroughly our postwar strategy and to scrutinize the administration's proposal.

For example, the President proposes to spend $100 million on a witness protection program for 100 families in a country where the annual per capita income before the war was only equivalent to $2,400. The same program in the U.S. last year covered 250 witnesses and their families for a cost of $31.5 million.

There is a request for $150 million to start construction on a $700 million new children's hospital. Is a new hospital needed? Wouldn't investment in the current Iraqi health service produce more immediate and lasting effects? Do we need to spend this much money to address health care in Iraq when additional resources are needed to meet the rising health care needs of our communities and reinforce our health care safety net?

The proposal includes $19 million to build a wireless Internet network for the Iraqi post office and $150 million to create a national 911 emergency service.

What is the development strategy behind these proposals? Is there a 1-year, 2-year, or even a 5-year plan in which these programs fit so that at the end of the term Iraq is self-sufficient?

We have been told that there are timetables but plans need to be flexible. Plans do need to be flexible, but they must start by being coherent.

A key question is, how soon do the President's proposals make it possible for American soldiers to leave Iraq? The President's deadline is unclear and the proposals for improving security inside Iraq are controversial.

Comparisons have been made to the Marshall Plan and rebuilding Europe. However, in Europe, we had the support of a people who had a tradition of democracy and free enterprise who were not attacking our troops. That is not the situation in Iraq. In addition, there were many hearings held on the Marshall Plan, and Con-

gress took the time it needed to thoroughly review the plan prior to its implementation.

I want to again state that I fully support the funding of our troops; however we need more time and information regarding the administration's proposal for reconstruction.

I look forward to the testimony and once again thank our witnesses for being here today.

Senator AKAKA. General Abizaid, I understand that the supplemental request assumes that there will be a continued presence of already committed two multinational divisions and possible contributions of up to two additional divisions, from other nations. What are your expectations about the rotation base for the international forces, and are the coalition members expected to continue their future rotations at the same level? If so, how realistic are these expectations to be?

General ABIZAID. Thank you, Senator. The two multinational divisions that are currently serving, the British multinational division in the South and the Polish multinational division in the central South, are both expected to continue to source forces over time. Certainly the British will continue as long as the mission continues.

I've been assured by British military leaders at the highest level, and they also assured me that the members of their coalition will continue to bring troops in as part of the British force.

The Polish force is a little bit harder to say, although it's clear that the Poles are committed. I talked to the Polish commander a couple of days ago down in Al Hillah. He told me that his nation is committed for the long run. It's hard for me to say exactly what that means, but I believe certainly the Polish part of that contingent. That is a very large mixed contingent. There's a brigade of Spanish troops, a brigade of Ukrainian troops that form the core of the division. I could not say for sure that they are here beyond a year, but I believe that most of the nations that are part of the Polish division are committed.

As far as a third division is concerned, I have been hopeful that we can get a third division, and, as I've said to the committee before, I have been hopeful that we could get a third Muslim division, led by either Turks, Pakistanis, Moroccans, or another major Islamic country that has a large degree of military capacity. We could certainly use them in a lot of different places, and we're hopeful that over time we will be able to include a third multinational division on the force. As of now, we don't have that commitment, which is one of the reasons you see CENTCOM saying to the Joint Staff that we need to maintain our commitment of forces, of total brigades, which has then caused them to go to the National Guard and Reserve component to look for how they're going to source.

Senator AKAKA. Mr. Chairman, I also want to indicate that I will certainly support additional funding for troops in Iraq and wherever it's necessary. General Abizaid, we have not received very many details about the level of effort—and I'm shifting a little bit—involved in Joint Task Force Horn of Africa. Can you provide a brief description of the mission there, its relationship to operations elsewhere in the theater, and how many people are involved? Acknowledging that, of course, you cannot predict the future, do you

expect that this mission will remain at about the same level of effort during fiscal year 2004 or will it be growing?

General ABIZAID. Senator, it will be my recommendation to the Department that Joint Task Force Horn of Africa continues its mission. There's about 1,400 people in that task force. They're based in Djibouti. They primarily work with the local nations in the Horn of Africa to increase their capacity against terrorism. For example, the other day I was in Yemen visiting with our Special Forces trainers that are working with the Yemeni army to increase their Special Forces' capacity. I've also seen them do civil military projects and training projects with the Ethiopians and the Kenyans. It is a small task force that doesn't have a direct combat role as yet. They do have the capacity to execute a combat mission should a terrorist target appear in their region, but for the most part, they are designed to increase the confidence and capacity of those nations in the Horn of Africa that are beginning to see the influx of some foreign fighters.

Senator AKAKA. Mr. Chairman, my time, I think, expired, but I want to clarify, Mr. Chairman, that I have the utmost respect for my colleague, Senator Inhofe, who is co-chair with me of the Senate Army Caucus. In response to his comment about members suggesting we "cut and run," I have not heard that sentiment on this side. I believe we have been very thoughtful on how best to support our troops. Thank you very much, Mr. Chairman.

Chairman WARNER. Thank you, Senator.

Senator Roberts.

Senator ROBERTS. Thank you, Mr. Chairman. As a former newspaper publisher and editor and as chairman of the Senate Select Committee on Intelligence, I would make the observation that while The New York Times and The Washington Post are very respected newspapers and fountains of self-assertive knowledge in this city, they are not 100 percent accurate in terms of actionable intelligence. We don't rely on the Times and the Post for intelligence in terms of the decisions that are being made.

Let me say that I think the key to this hearing is something called staying power and resolve, and I'm going to quote Winston Churchill, who said something after Pearl Harbor—we call September 11 the Pearl Harbor on the global war on terrorism—I think that's accurate. He said, "Silly people, that was the description many gave in discounting the force of the United States. Some said they were soft, others that they would never be united, that they would never come to grips, they would never stand blood-letting, that their system of government and democracy would paralyze their war effort. Now we will see the weakness of this numerous but remote, wealthy, and very talkative people. But I had studied the American Civil War fought out to the last desperate inch. American blood flowed in my veins. I thought of a remark made to me years before. The United States is like a gigantic boiler. Once the fire of freedom is lighted, under it there is no limit to the power it can generate. It is a matter of resolve."

I am just wondering in terms of the criticism—not wondering, I'm very concerned that if the criticism is so harsh as to create the impression of lack of resolve, I wonder what goes through the minds of President Karzai, President Musharraf, Prince Saud, King

Abdullah, and President Mubarak. Not only are men and women serving in uniform, but the very terrorists who are killing our troops and their fellow Iraqis.

It concerns me a great deal in that I think we have a leaky boiler, and I think we better fix that leaky boiler real quick, and, as Senator Akaka has pointed out, make dog-gone sure what we're saying is interpreted in the right way in regards to the global war on terrorism.

General Abizaid, I think you put the Iraqi challenge into perspective when you said, "If we can't be successful here, we won't be successful in the global war on terrorism." Based on your expertise and experience, can you give us a sense of how the Baathists and the foreign fighter terrorists in particular would benefit from the adoption of a mere timetable? We've heard a lot about a timetable here for the coalition departure, as opposed to a set of milestones, such as outlined in the much-criticized Ambassador Bremer's CPA strategy that did come to Members over 2 months ago? What would be the effect on the global war on terrorism?

General ABIZAID. I believe that you always run the risk when you set a timetable to send the wrong signals. We need to have a conditions-based strategy that allows us to get at our objectives in a coherent and a synchronized fashion, and I believe with regard to Iraq that militarily and politically we are probably lashed out better there than any place I've been before.

With regard to the broader war on terrorism, I think we have to continue to look at the various movements throughout the theater that shows the danger continues to grow and we need to develop a more unified, international, and interagency strategy to deal with the broader problem.

Ambassador BREMER. Senator, may I pick up on something you just said?

Senator ROBERTS. Certainly.

Ambassador BREMER. The fires of freedom are lighted in Iraq, and we have newspapers today. There are 186 new newspapers since liberation. These are two of them. This particular one happens to be very critical of me and the CPA. That's freedom of the press. This particular one happens to support us, but there are 184 other newspapers being produced in Iraq today. There are 85 new radio stations. There are more than 20 television stations.

The fire of freedom that Churchill talked about have been lighted in Iraq, and we need to nurture it forward to democracy.

General ABIZAID. Senator, if I just might add one thing. This notion of will and how we're seen in the theater—I talked to President Karzai and President Musharraf and others, but the best manifestation of our will in the theater is the work that our young soldiers do out there, and when you see the work that a young captain does on the Afghan/Pakistani border and you see the confidence in his eyes, you know there is no problem with understanding our will to get the job done, and I believe those leaders see that.

Senator ROBERTS. My time has expired, Mr. Chairman.

Chairman WARNER. Thank you, Senator.

Senator Pryor.

Senator PRYOR. Thank you, Mr. Chairman. Ambassador Bremer, I'd like to follow up on a couple of statements that you made in your opening comments if I may. One was something to the effect that Iraq is the focal point of the global war on terrorism. I can't remember the exact words that you used, but that was the gist of it. Tell the committee what you mean by that.

Ambassador BREMER. I think the term I used, or anyway meant to use, was it has really become the main front in the war on terrorism. What has happened, Senator, is that Saddam Hussein supported terrorism. He was identified as a state sponsor of terrorism for almost 20 years. He played hosts to terrorists like Abu Nidal and Abu Abbas. There were connections with al Qaeda over the last decade. There was particularly a strong connection with an al Qaeda-related group called Ansar al-Islam. You may recall in the early days of the war we attacked a camp in the Northeast of Iraq. We killed quite a few of the terrorists, unfortunately not enough of them. Several hundred of them escaped into Iran, and what we found was they reconstituted themselves and started to reintegrate back into Iraq in roughly early July.

We now estimate that there are several hundred of these trained professional al Qaeda-type terrorists in Ansar al-Islam back in Iraq. We have captured several dozen Ansar al-Islam and al Qaeda terrorists in our military operations, so we have a serious terrorist threat in Iraq.

Senator PRYOR. Now has that terrorist activity increased since U.S. troops have been present there?

Ambassador BREMER. I would say it has increased, as I suggested, since they reconstituted and came back in. The reconstitution seems to have taken them a couple of months, and they started coming back in in July.

Senator PRYOR. What were the terrorists doing before we came into Iraq, because apparently they were not attacking the Saddam Hussein regime. What were they doing there?

Ambassador BREMER. They were supported by the Saddam Hussein regime. What they were doing was killing Kurds.

Senator PRYOR. Okay, so it's terrorism mostly against the Kurds?

Ambassador BREMER. It was. It is now a very serious threat to not only us, but we've seen attacks against the U.N., we've seen attacks against religious leaders. We don't know at this time who conducted those attacks, but we certainly have seen an increase in terrorism.

Senator PRYOR. Have you seen an influx of new individual terrorists and new terrorist organizations in Iraq since we've been there?

Ambassador BREMER. It's a bit hard to parse it. We know that during the war a number of countries sent what they said were volunteers to fight alongside Saddam, foreign fighters. We have captured 278 of these people since the war. Most of them are Syrians. We have seen crossing points established across the Syrian border where we have more of these people coming in, foreign terrorists and foreign fighters.

Senator PRYOR. Let me switch gears to another thing you mentioned—I believe it was in your opening statement, it may have been in response to a question—and that was you wanted to have transparency in the money allocated to rebuild Iraq. You said

something to the effect—again, not trying to quote you exactly, but pretty close here—that all the contracts in the future will be about competitive bid. Is that right?

Ambassador BREMER. That's correct.

Senator PRYOR. My question for you is, have all the contracts in the past been by competitive bid?

Ambassador BREMER. Senator, my understanding is that 95 percent of the contracts that we have let have been by what is called a full and fair open competitive bid.

Senator PRYOR. Okay, 95 percent of the contracts or 95 percent of the dollar amount?

Ambassador BREMER. Contracts.

Senator PRYOR. Of the contracts. Do you routinely meet with the private companies who are operating in Iraq today?

Ambassador BREMER. Do you mean the American?

Senator PRYOR. Yes, the American.

Ambassador BREMER. Yes, I do.

Senator PRYOR. You do? How routine are those meetings? Do you have them weekly, daily?

Ambassador BREMER. One of the major contractors is heavily responsible for our efforts on restoring power, and I meet with them every morning.

Senator PRYOR. Okay. Which contractor is that?

Ambassador BREMER. Bechtel.

Senator PRYOR. Bechtel. Do other members of your staff meet with contractors as well?

Ambassador BREMER. Oh, yes, sure.

Senator PRYOR. How, in your view, have the contractors been performing in Iraq to date?

Ambassador BREMER. I think they've been performing very well. One must remember it's not an easy environment. There are security concerns. But given everything, we expected to see these big contracts begin to really develop some momentum towards the end of August. It takes months to get a big contract going, and, in fact, that happened. We're really seeing a build-up here in the last couple of weeks.

Senator PRYOR. Specifically—and I'm out of time here—but specifically there have been a lot of questions asked in the U.S. about Halliburton being in Iraq. I was just curious about what they're doing over there, how large of a contract they have, and whether it was offered by competitive bid.

Ambassador BREMER. My understanding is that there is a Halliburton contract. I think the amount in that contract is $1.2 billion, but I may be off a bit, and their main job is working with the Army Corps of Engineers to restore the oil field productions.

Senator PRYOR. Was that by competitive bid?

Ambassador BREMER. No, I think that was not by competitive bid. I believe that was a contract that was let even before the war.

Chairman WARNER. Thank you, Senator. Senator Sessions.

Senator SESSIONS. Thank you, Mr. Chairman. First, I too am concerned about the nature of some of the criticism that we've had from people who opposed the war from the beginning, even though we voted over three-fourths to support it. The President supports it. The American people have supported it. We are committed as

a Nation, and it is important that we have staying power and go through it. I just want to take a minute to say how much I appreciate Chairman Warner's leadership. He has been a person who puts America first. When President Clinton was in office, he supported him on every single foreign policy matter that came up that I know of because he puts America first. He served in the Navy as a young sailor in World War II, in Korea. He was in the Department of Defense in Vietnam, and Secretary of the Navy, but I think he sets the example—and the Marine Corps, too, marine Pat Roberts says. He set an example for us that politics ought to stop at the water's edge, and legitimate criticism is fine but some of this criticism, in my view, has gone beyond legitimate to destructive comments. I want to be on the record about that.

I want to ask you quickly, General Abizaid, I think Alabama has one of the highest numbers of reservists and guardsmen in Iraq. I've met with two of those units directly. There's an article that has been out quoting General Pace, I believe, as saying that we may call up additional reservists. There is one thing I'd like for you to clarify. It suggests in those headlines that we're going to be having an increased number of American troops in Iraq and those would be National Guard and reservists. As I understand it, it's saying in the future that to replace existing troops, we may need to call up more guardsmen and reservists. Can you clarify that?

General ABIZAID. Sir, in order to rotate the troops that are there we will call up additional Guard and Reserves. It will not increase the overall number of troops.

Senator SESSIONS. So the headline that suggests we are calling up more National Guard and reservists because we're having a terrible time in Iraq and we have to increase our troop strength is not accurate?

General ABIZAID. That is not accurate, but, Senator, we cannot do the job without the National Guard and the Reserve.

Senator SESSIONS. You are certainly correct, and I was so proud of the troops that I met with, in active duty too, but I particularly had the opportunity to be with some National Guard units that are performing superbly.

With regard to this supplemental and the need for it, Ambassador Bremer, you suggested to me when I was in Iraq the critical need of speed. Is it your view that if we delay stepping forward with this infrastructure improvement, particularly electricity, that it jeopardizes General Abizaid's soldiers, among other risks that we undertake?

Ambassador BREMER. Yes, as I said earlier, Senator, I think it will increase the security threat to our men and women in the Armed Forces and to the Iraqi people.

Senator SESSIONS. In other words, it could undermine confidence of the Iraqi people and the ability of the coalition leadership to be effective?

Ambassador BREMER. I believe that's correct.

Senator SESSIONS. That could be destructive in a number of different ways?

Ambassador BREMER. It will be destructive and it would be basically, as I said in my opening statement, leaving the job that we've started unfinished.

Senator SESSIONS. Now I know you've about gotten electricity back up to prewar levels, but there's still a 2,000 megawatt shortage?

Ambassador BREMER. Exactly.

Senator SESSIONS. Are those the right words?

Ambassador BREMER. You remembered the briefing.

Senator SESSIONS. Ambassador Bremer, our main contract to Bechtel has received a lot of money on this. I'm not sure they understand that this is life and death for American soldiers. People in this area right now are up in arms because electricity in some areas has been off 8 days. Are you confident that this corporation is interested in moving quickly and would you be prepared to terminate their involvement if they don't show the sufficient intensity of interest in bringing this electricity online?

Ambassador BREMER. Yes. Let me just make three points. I am convinced that they're moving very quickly; it is the major part of their contract. Second, we have a group brought in at General Abizaid's request and with his assistance from the Army Corps of Engineers to undertake an urgent, additional effort on power over the next 3 months. Of course, in the supplemental we have almost $6 billion for power generation. That will be done in a free and open bid. We'll see who bids on it. That will be an open contract. But, of course, if Bechtel or any contractor were not performing up to the standards of the contract, we would not hesitate to take the appropriate action.

Senator SESSIONS. I thank you for your service and leadership. I believe we need to keep the heat on everybody on that issue, and, if they don't perform, they ought to be out of there.

Chairman WARNER. Thank you, Senator.

Senator Ben Nelson.

Senator BEN NELSON. Thank you, Mr. Chairman, and thank you, gentlemen, for being here today. We appreciate very much the opportunity to discuss these critical issues with you. One of the concerns that my colleague from Alabama just mentioned was the further call-up of Guard and/or Reserve units. During their reappointment hearing in July, I mentioned to Generals Myers and Pace the concern that I have about rotation deployment and not knowing a date when the deployment is to end. With these future call-ups, can we be assured that there will be a termination date that will be communicated to the Guard and Reserve units so that they know how long the deployment will be, even if it is extended? Thus far, the criticisms that have come from the family more than from the troops is that they don't know and that they can't plan accordingly. Their lives are on hold, their jobs are on hold, their potential advancements are on hold. Can we assure them with these future call-ups that we can communicate to them when the deployment will end, even if extended?

General ABIZAID. Thanks very much for that, Senator. One of the most important things for any soldier to know is when are they coming home. They need to know that, and, unfortunately, I can report to you that not all of them know that.

Senator BEN NELSON. That's the problem.

General ABIZAID. It is a problem. I was out talking to reservists just the other day, not only in Baghdad, but also around the coun-

try and also in Qatar and other places. There is a problem that the reservists do not understand when they're coming home because of the 1-year boots-on-the-ground policy. I've talked to the Army, our Active Forces. They know when they're coming home. Everybody that's there needs to know when they're coming home. I take it as my responsibility. I will work it and I will ensure that the new guys coming in know when they're coming home, nothing more important. It is not right now and it needs to be fixed.

Senator BEN NELSON. As much as I appreciate it, I know they'll appreciate it a lot more, so I thank you very much.

Ambassador Bremer, there has been more than a slight amount of criticism and major inquiry into what the cost of reconstruction might be and who's going to pay for it. Can you tell me if there's been any consideration of securitizing the oil revenues from Iraq over a period of time, subordinating the debt of the other countries that have not participated with us to date, to be able to make sure that the revenues pay for the Iraqi reconstruction, don't come to the United States for other offsets, but go to the reconstruction of Iraq? Because if we're able to do something with that construct, it seems to me that we can avoid paying as much as we would otherwise pay out of American taxpayers' pockets for the reconstruction of Iraq.

Ambassador BREMER. Thank you, Senator. We had a brief conversation with Senator Levin about that earlier. On the face of it, the $200 billion or so which Iraq has in debt and reparations hanging over it could be colored as odious debt. If you look at it——

Senator BEN NELSON. Well, at least that.

Ambassador BREMER. Well, but it's a legal term.

Senator BEN NELSON. I know.

Ambassador BREMER. I'm not an attorney, but apparently it allows some possibilities for what you do with that debt.

Senator BEN NELSON. Exactly.

Ambassador BREMER. With the American Government's lead, we have an agreement from the group of seven and, therefore, through most of the large creditors of the government debt, an agreement to suspend the debt servicing until the end of 2004. The intention is to try to come up with some kind of an agreement on a substantial reduction of Iraq's government debt by the end of next year.

That is going to be a very, as it always is, complicated negotiation. The reparations, which represent about $100 billion of the $200 billion, maybe a little less, are essentially a political issue that the Iraqi Government is going to have to address at some point with its neighbors, because these reparations, of course, were incurred because of Saddam's aggressive wars against his neighbors. Mostly the reparations are owed to Saudi Arabia and Kuwait, particularly Kuwait.

The governing council has already begun to be seized of this issue because it is so important, and has encouraged us, and we have encouraged them. We agreed to start looking at a major effort to get rid of the reparations overhang. But both of these efforts, Senator, which are laudable and which we support, are going to take time. They're going to take probably a year and a half, maybe even longer. The history of debt renegotiations is fraught with great delays, and we don't have a year and a half to wait. Until

that happens, in my view, it is not wise to seek to put any more debt onto the Iraqis, even if it's in the form of collateralizing future oil revenues, which also has the disadvantages—I think Senator McCain may have mentioned—of making it look as if we, no matter how you do it, are in some way taking a lien against oil revenues and, therefore, that's why we fought the war. So there's a political problem and there is most of all a timing problem.

Senator BEN NELSON. But there's a political problem here at home of——

Ambassador BREMER. I understand.

Senator BEN NELSON.—paying American money to reconstruct Iraq in light of loans to other countries but no loan to the United States. I have a real difficult time—I don't want to load them with debt, but they're already loaded with debt. I don't want to also unload the potential for debt by gifts from the American people in the form of taxes to reconstruct Iraq if we can avoid doing that through debt. It seems to me that there is a threshold here for subordination of the other debt if we want to push it hard to get reconstruction accomplished today in the midst of the turmoil that exists at the present time. Subordination is a common practice in the investment world. This looks to me like if we're going to make an investment for Iraq, we can invest their money in this way, and it's not money coming to America, but it's not outflowing from America in that process.

Chairman WARNER. Thank you, Senator, very much.

Senator BEN NELSON. Thank you. My time has expired.

Chairman WARNER. Senator Collins.

Senator COLLINS. Thank you, Mr. Chairman. Mr. Ambassador, General, let me begin my questions by thanking you for your extraordinary service. Your leadership and courage are inspiring, and I do want you to know that we do very much appreciate your efforts and your leadership. I'm going to begin my questioning, Mr. Ambassador, by following up on the questions just raised by Senator Nelson. I do not contest at all the urgent need for the supplemental and in the amount that you have recommended, but I think that it is appropriate for us to raise questions and look to see if there is a way to lessen the impact on the American taxpayer.

The American taxpayer is very generous. We understand that in the short term Iraq clearly cannot repay the money that is necessary to help construct the infrastructure that's needed to boost the economy, but, in the long run, Iraq will be a prosperous country. Therefore, it seems logical to many of us to come up with a way to structure part of the construction costs as a long-term loan. One of the arguments that you put forth this morning and previously is that Iraq is already burdened with an estimated $200 billion in debt and reparations from Saddam Hussein's regime, but what is often left out is that the largest holders of that debt are Saudi Arabia, France, Germany, and Russia. If the leaders of three of those nations had had their way, the Iraqi people would still be suffering under Saddam Hussein's regime.

The American people will be justifiably outraged if a dime of their money is essentially used to finance the repayment of debt to those nations. I am very concerned that at a time when we're asking the American taxpayer to invest billions of dollars in the infra-

structure of Iraq, these countries will be repaid part of the debt that they're owed, so how are we going to prevent that situation from occurring?

Ambassador BREMER. Thank you, Senator. I was going to answer this. Effectively, the debt is already subordinated because I said yesterday in testimony that not a penny of this money will be going to repaying those debts.

Senator COLLINS. But money is fungible.

Ambassador BREMER. It isn't going to happen. In effect, no. First of all, you have to remember, let's look at the timing. The debt servicing has been tolled until the end of 2004, so Iraq is under no pressure to pay any debt servicing or any debt repayments before the end of next year. In the supplemental we will be asking for, all of the money will be obligated and most of it will, in fact, be spent before we even get to the end of 2004.

Senator COLLINS. When I was in Iraq, I was struck by how little damage there really was from the war. What we're talking about is not really rebuilding Iraq; we're talking about an infrastructure that has been looted by Saddam for decades and that now is often the target of sabotage. Wouldn't it give the Iraqi people more of an investment in their own infrastructure for us to structure at least part of the supplemental—just that part that is being used to rebuild the infrastructure—as a long-term loan? I just don't see why the administration is opposed to that. I'm not talking about a short-term loan. I'm talking about after Iraq is back on its feet and producing oil revenues and, once again, a prosperous, democratic country.

Ambassador BREMER. The part you identified is not a small matter. It's $15 billion out of the $20 billion. It's not a small loan. I think it's important to remember that—I said, I think, in answer to an earlier question—the Iraqi people are already paying for their reconstruction through, somewhat, the 2003 budget but a lot in the 2004 budget. As I suggested earlier, by 2005 they will be generating excess revenues, which will help fill the gap between the $60 billion the World Bank says is needed over the next 4 to 5 years and the $20 billion that we are asking for over the next 12 to 18 months. The Iraqi people will, in fact, be paying that money, but if you then say, "No, instead of that, you're going to have to use that $5 billion to pay back the American loan," then necessary investments that the Iraqis should be making in their country will not happen and we will not be closing the gap.

Chairman WARNER. Thank you, Senator.

Ambassador BREMER. The facts here are rather compelling, I think.

Chairman WARNER. Thank you very much.

Senator Clinton.

Senator CLINTON. Thank you, Mr. Chairman. I join with my colleagues in thanking each of you for your service.

Ambassador, when you appeared before the Democratic Caucus on Tuesday, you were specifically asked whether there would be any further requests for funding beyond the $20 billion that has been requested now. Your answer was "No, this is it." Is that still your answer?

Ambassador BREMER. Yes. What I said was we will not ask for a supplemental like this. If there is any further need I would anticipate—and I made this a point to the Appropriations Committee yesterday—any further requests will be done through the normal appropriations process. In other words, it will come forward as part of the regular appropriations process, the 2005 budget presumably early next year.

Senator CLINTON. In other words, what many of us heard in the Caucus, which is that the $20 billion was the end of the requests with respect to financial resources, means somewhat differently today that it was to be construed as not a request for additional supplementals, but there may be additional money for reconstruction and related costs that would come through the regular budget system?

Ambassador BREMER. Yes, Senator, and I'm not trying to be cute here. There are a lot of unknowns. We know there's a big gap; we know that the World Bank says there's going to be a need of $60 billion over the next 4 to 5 years. We are asking for $20 billion here. We're hoping we'll get a substantial amount from the donors conference, but that's an unknown. The Iraqi Government is going to have to do its own 2005 budget, which hasn't yet been started; we just finished the 2004 budget. There are a number of moving parts here that will have to be pinned down in the next 4 to 5 months before the administration puts together its regular 2005 budget request, but I would anticipate if we need any more money, it would come through the regular appropriations process.

Senator CLINTON. Ambassador, I join with both Senator Collins and Senator Nelson in urging the administration to look for a way that there can be some assurance to the American people that we will be in line at least to receive payments from a future Iraqi Government, and, given all the talk about the Marshall Plan, I think it is instructive that President Truman required a dollar-for-dollar match from beneficiary countries. We would hope that you would be more open to such a possibility than we've heard thus far.

I just want to ask a few specific questions. Also, at the Democratic Caucus, you said that 535 copies of this CPA plan were sent to Members of Congress in July. I can only speak for myself; I didn't see it until this week. But in looking at it, with respect to the security section and the specific points that are included—to defeat internal armed threats; undermine support for paramilitaries; deter external aggression; locate, secure, eliminate WMD; eliminate munitions caches—we need more specific information. Those are all very laudable goals. We all want to do all of those things and we know that you are working very hard to achieve those, but let me just try to get on the record so that I have some benchmark against which to judge this. First, how many members of the Iraqi army are there at this moment?

Ambassador BREMER. The Iraqi army has one battalion, which is about 750.

Senator CLINTON. Seven hundred and fifty? How many troops do you plan to train for the Iraqi army in the next year?

Ambassador BREMER. You won't find it in that plan because we've updated it. We plan to have 27 battalions ready by August next year.

Senator CLINTON. For the purpose of the record, how many people are we talking about?

General ABIZAID. Forty thousand.

Senator CLINTON. Forty thousand within the next year?

General ABIZAID. That's correct, Senator.

Senator CLINTON. Now, in May or June, I know that there were press reports that while Members of Congress were visiting Iraq a previous estimate was that you were to have 7,000 trained. How have you increased that number so dramatically?

Ambassador BREMER. Because, Senator, one of the things we are trying to do now is get the Iraqis more responsible more quickly for their own security. That's why you find the large number of $2 billion in the supplemental to train the army. We want to do what we were planning to do in 2 years in 1 year. The same is true for the police. If you looked at our planning back in June, July, we were planning to train a police force of about 75,000 to 80,000, but I was told it was going to take almost 6 years. I said that's simply too long; we have to do it faster. The plan now is to do it in the next 18 to 24 months, and you have another $2 billion in the supplemental to make that happen.

Senator CLINTON. The goal for the number of police is what?

Ambassador BREMER. About 75,000 to 80,000 in the next 18 to 24 months.

Senator CLINTON. Thank you.

Chairman WARNER. Thank you very much, Senator. That's an important question. It follows in the Warner-McCain issue about the use of these troops ahead of time for internal security. Not on my time, but address it when you can. Thank you. Senator Dole.

Senator DOLE. Thank you, Mr. Chairman. I've regarded the war against Saddam Hussein as a righteous cause. This man thumbed his nose at the world community. He violated 17 U.N. resolutions over a period of 12 years. He gassed 5,000 men, women, and children, his own people. As you've said so poignantly, Ambassador Bremer—and I've quoted you many times on this—"Gone are Saddam Hussein's torture chambers, gone are the mass graves and his rape rooms, gone is his threat to the United States and to the international community." I certainly want to take this opportunity to express my admiration to you both, my tremendous respect for the job that you are doing and our young men and women who are serving around the world.

Earlier this week a proud grandmother handed me a letter from her grandson who is currently stationed in Baghdad. Different points of view have been expressed in this hearing, and I'd like to just read a couple of lines from what this soldier on the front lines had to say. He says, "I was invited to meet with a local Iraqi who works the engineering for our building's electricity. He graduated from the Baghdad University in engineering and showed me his class picture from 1979. We talked about what it was like then and the difference now. You could see the suffering in his eyes as he talked about the years of terror that people lived with while Saddam was in power. I felt the same emotions of sadness for these people when I first rolled up here from Kuwait, to see their cheering faces of relief. Many a soldier's eyes were filled with tears that day. I pray that we finish the job we started."

Defeating terrorism is more than removing the leaders of an evil regime from power. Terrorism must be torn out by its roots so that there is no toehold for its sponsors to reestablish their violent ways. More than words, more than negotiations, the President's significant spending request sends an unmistakable signal to these sponsors of terror, to the liberated Iraqi citizens, and to the world that the United States is staying the course, lest the fight again return to American soil. Failure to follow through in our mission could leave a lethal void, a void that would rapidly be filled with terror and its supporters.

Of course, the American people must know how this money will be expended, and I'd like to ask several questions. General, as part of the Department of Defense supplemental request, military personnel costs come in at approximately $18 billion. The specific details mentioned call for enhanced special pay, imminent danger pay, family separation allowances, and hardship duty pay that come in above the standard expected personnel costs for a typical budget year. In the 2004 Defense Appropriations conference, $128 million was provided to continue the rate increase for imminent danger pay and family separation pay. Was this rate increase figured into this request? The $18 billion also includes salaries for service members retained on active duty through stop loss. Does it include salaries for activated Guard and Reserve members, and has an additional call-up also been calculated in this figure?

General ABIZAID. I know that in terms of the calculation for Reserve and Guard call-ups, yes, I believe it is included. In terms of the additional danger pays, et cetera, I can't answer that question and I'll have to get back to you on the record, and the reason is because there is some debate within the administration as to how that will be paid for. With regard to your other questions, the answer is yes, it was factored in. With regard to danger pay, I'll have to get back to you.

[The information referred to follows:]

OSD has assured me that the $128 million was provided to continue the rate increase for imminent danger pay and family separation pay through the first quarter of fiscal year 2004.

Senator DOLE. Thank you. Within the Department of Defense's military construction request, over $100 million is requested for air field ramps at Qatar and the United Arab Emirates (UAE). Are these governments providing any matching funds for these projects?

General ABIZAID. I can't answer specifically whether they're providing matching funds for those projects, but they provide substantial funds for other projects that we have been very anxious to get done. For example, we moved our forces from Saudi Arabia that were in a combined air operations center to Qatar and put them in the combined air operations center there, and the Qatari's paid a great portion of that cost. The same in the UAE, they have paid for substantial costs to upgrade the facilities. I can't answer as to whether or not there are matching funds on these projects, and I'll have to get the answer to you.

[The information referred to follows:]

The Governments of UAE and Qatar have both contributed greatly to U.S. facility projects in their respective countries and we expect this support to continue. UAE

agreed to provide almost $60 million in facility construction at Al Minhad and Al Dhafra Airfields to address critical CENTCOM airfield and force protection concerns. At Al Udeid, Qatar is funding an estimated $145 million in construction projects that directly support U.S. and coalition operations.

CENTCOM's approach toward permanent construction funding in our AOR has been, and will continue to be, to first seek host nation support and funding for our long-term facility requirements. Historically, host nations have funded over 50 percent of these type projects.

Background:

Matching funds can be viewed as directly or indirectly contributing to U.S. facility requirements.

Direct support—funding portions of a specific requirement—e.g. splitting costs.

Indirect support—funding other projects that enhance and support U.S. presence.

UAE

UAE Investment—$60 million: Minhad Air Base development ($20 million)—Expand runway and construct support facilities. Al Dhafra Air Base (~$40 million)—Relocate AF cantonment area and replace tentage with "hard" facilities to meet force protection requirements.

U.S. Government Investment—$62.3 million: Al Dhafra ramp and fuel system and temporary cantonment facilities.

Qatar

Government of Qatar Investment—$145 million: Al Udeid development—Base operational support facilities.

U.S. Investments—$180 million: Life support facilities (Millennium Village) and aircraft ramps.

Senator DOLE. I think my time has expired. Thank you, Mr. Chairman.

Chairman WARNER. Thank you very much, Senator.

Senator Bayh.

Senator BAYH. Thank you, Mr. Chairman. Gentlemen, thank you for your service. Regardless of where any of us were on the commencement of hostilities in Iraq, we have no choice but to be successful now. I think there is unanimity of opinion with regard to that. I think the American people share that sentiment and are willing to be both patient and generous as we pursue this, but there are limits to both the patience and the generosity of our people.

The patience will be tested, Ambassador, by the existence of a strategy that is coherent, detailed, and persuasive in terms of bringing an end to this eventually. As a couple of my colleagues mentioned, I think that this still appears to be a work in progress and that more progress needs to be forthcoming; otherwise, the patience will wear thin.

With regard to the generosity, I think it depends upon the equity of the program that you put forth. My guess is that the American people would support just about anything, would support anything for our troops, would support just about anything for the security of the Iraqi people. The economic assistance is another matter. My back-of-the-envelope calculations indicate that the value of proven or potential Iraqi oil reserves is between $5.5 trillion and $2.8 trillion, clearly enabling them to bear part of this burden themselves.

I want to follow up on Senator Nelson's and Senator Collins' line of inquiry, Ambassador, and I understand that—I've listened to your testimony today—a lack of a functioning government limits our ability somewhat in the existence of the $200 billion of debt,

although $100 billion of it is reparations, and it seems to me that ought to be waived, so we're really dealing with $100 billion of other debts here. My question very simply is, how do I explain to my constituents that those who helped to prop up Saddam's regime, the French, the Russians, and others, could potentially be repaid, but those who financed the war to liberate the Iraqi people will not be repaid? How do we explain that?

Ambassador BREMER. Senator, I appreciate the difficult situation this puts legislators in, but again it's a question of timing. I agree. I've said—and I was the first in the administration to say it back in early July—that there must be a substantial reduction in Iraq's debt. That is the position of this government; it is also the position of the group of seven when they met in Evian in June. There's no contest there. We understand that there has to be a significant haircut, as they call it on Wall Street, and, incidentally, we're into this game for about $4 billion ourselves. There is about $4 billion—$2 billion in principal, $2 billion in interest from the American taxpayers. There is going to have to be a very substantial reduction in debt——

Senator BAYH. I don't want to interrupt, but could I ask about the question of timing. Maybe this gets to the heart of the matter somewhat. We're expected to pony up the money while we continue to negotiate with the same people who diddled us around at the United Nations and elsewhere and expecting them to ultimately do the right thing. Can you understand why the American people would be a bit skeptical about that?

Ambassador BREMER. I can, and I think we're going to have to work with the Iraqis. It's after all their debt; it's their country we're talking about here. We're going to have to work with the Iraqis. Hopefully we will have before too long a legitimate Iraqi Government that in fact can enter into contracts and agreements, but, again, my problem is timing. We have an urgent need to get this reconstruction started.

Senator BAYH. Let me ask about that, the legitimate Iraqi Government. You can understand the position this puts you in, where we are potentially honoring the commitments that Saddam Hussein made, but are giving the current governing council no authority to make alternative choices. That is ironic to say the least.

Ambassador BREMER. There are lots of ironies in the situation in Iraq.

Senator BAYH. I must also say I agreed with Senator Collins, and I understand the timing issue here, Ambassador. But money to some extent is fungible. To the extent that we're making grants today, that does increase the new Iraqi Government's capacity to repay other obligations later, and it would be more than ironic. I agree with her characterization; it would be outrageous if the American taxpayers were indirectly repaying even a single franc or ruble to the French or to the Russians.

Ambassador BREMER. I agree with that and I said so yesterday and I repeated it today. I agree.

Senator BAYH. General, perhaps a question for you. Ambassador, I hope you'll forgive me if I turn my attention elsewhere.

Ambassador BREMER. Yes.

Senator BAYH. Ansar al-Islam was on our radar screen for a long time. We knew that we were going to go in there and do something about them. We knew that they were located close to the border. The possibility of flight into Iran was an obvious possibility. How did so many of them escape?

General ABIZAID. Senator, I'm not so sure how many of them escaped. During the war, the strike that we had on their facilities up on the northeastern border with Iran was very devastating. A large number were killed there. Many of them that are currently operating in the country are probably survivors that were in position in places such as Baghdad, elsewhere. Some of them went into Iran and moved up into the mountainous regions there and then figured a way to infiltrate back. We think that the number of Ansar al-Islam is somewhere between 200 and 400 perhaps within the country. We remain concerned about the capacity of Ansar al-Islam. We remain concerned about their ties to al Qaeda. Certainly we should also have expected that some of their other people from abroad would have returned to join Ansar al-Islam as things have developed in Iraq as well.

Chairman WARNER. Thank you, Senator.

Senator BAYH. Thank you, Ambassador.

Chairman WARNER. Senator Cornyn.

Senator CORNYN. Thank you, Mr. Chairman. I would like to make my prepared statement a part of the record.

[The prepared statement of Senator Cornyn follows:]

PREPARED STATEMENT BY SENATOR JOHN CORNYN

Ambassador Bremer, General Abizaid: I would first like to express my appreciation for the excellent work that both of you have done in Iraq. All of our men and women working there—military and civilian—are doing a remarkable job. Unfortunately, much of the positive accomplishments in Iraq are drowned out here at home by the irresponsible rhetoric of those who are motivated by the politics of the moment. This is the sad reality of the political season we are in.

I am sure you have seen the recent Gallup Poll indicating that nearly two-thirds of individuals in Baghdad believe that ousting Sadddam Hussein was worth the hardships that they are experiencing today. I wish some of the politicians in our own country would share the same level of optimism as the Iraqi people. The fact is, the plan we have in place for Iraq is working, and we are indeed making progress.

The American people are being asked to pay $87 billion for our work in Iraq and Afghanistan over the course of the next year. This is a tremendous sum of money by any measure, but we cannot simply walk away from Iraq as some are suggesting and allow another dictator to rise up. We have no other choice but to finish the job in Iraq.

I am confident that the American people understand the importance of finishing the job in Iraq, and that the naysayers here in Washington will be proven wrong. Unfortunately, the constant and politically motivated criticism of our efforts only undermines the good work of our men and women in Iraq.

Senator CORNYN. Thank you, Ambassador Bremer and General Abizaid, for being here. I know you've been through several of these hearings this week. We appreciate your testimony and your service and your stamina.

I just want to make sure I understand the choices that you're telling us we have. Do we really have any alternative but to finish the job in Iraq? In other words, what is the alternative and what is the message that America would send to our enemies in the war on terror?

Ambassador BREMER. Senator, I don't think we do have a choice, and I don't think when the American people think it through they'll decide not to finish the choice. I have said before: we are not a nation of quitters. In the 18th century, we didn't quit until we got the British out of here. In the 19th century, we didn't quit until we'd freed the slaves. In the 20th century, we twice didn't quit until we had freed Europe. We will see this job through, I am confident.

Senator CORNYN. General Abizaid, I know there are some who would like to separate the monies being requested in this total $87 billion supplemental between assistance to our troops in the field and economic assistance in the reconstruction of the Iraqi people. In your opinion, are the economic assistance and the reconstruction money that are being requested essential to the success and security of our troops in the field?

General ABIZAID. Senator, I think that they are inextricably linked, and there is no doubt about it in my mind. First of all, you have the supplemental portion necessary for sustaining the Armed Forces over time, but just having that will only keep us the way it is. What we need is to have immediate improvement, and that requires the $5 billion in particular for security so we can build Iraqi security capacity. The many other parts that Ambassador Bremer has talked about are essential for the security environment. After all, this mission is about achieving consent within the Iraqi populus that will allow them and us to work together to build a more prosperous and more representational Iraq, and I believe that this is absolutely essential to keep it together.

Senator CORNYN. I share my colleagues' concerns and their sense of fiscal responsibility when dealing with taxpayers' dollars, and I know you share that concern as well. I just wish that concern pervaded all aspects of our responsibilities in this Congress because, of course, spending continues to be a problem for the American taxpayer in terms of the deficit. But to put this in context, there was an article in USA Today just a couple of days ago that says that if the cost to defeat Saddam was less than half of a percent of America's annual income measured as gross domestic product (GDP), if spending continues at the current pace, our involvement would cost us .4 percent of our income for the rest of the year. If President Bush's request for $87 billion for Iraq and Afghanistan is approved, the cost on these two fronts will amount to about .8 percent of our income next year.

Now, these numbers are hard to grasp, but to boil it down for the American taxpayer, the article concludes, "Each year American households spend about 1 percent of their income on alcoholic beverages and another 1 percent on tobacco products. We spend about .7 percent of our money on cosmetic products. In other words, our combined operations to combat terror in the Middle East cost a bit more than we spend on makeup and shampoo and a bit less than we spend on booze and tobacco."

[The information referred to follows:]

USA Today
September 22, 2003
Pg. 21

Iraq Costs Require Some Perspective

By Larry Lindsey

A year ago, while I was serving as President Bush's White House economic adviser, I caused quite a controversy when I said that our objective in Iraq would be well worth spending 1% to 2% of America's gross domestic product. At the time, the president had not made any decisions about war with Iraq, so putting any price tag on the mission — particularly one so steep — was considered premature.

It now seems that the cost of deposing Saddam Hussein and re-establishing civil government in Iraq will be in that range. Critics are using words like "massive" and "staggering" to describe the cost. But what we really should ask is: Compared with what? We cannot walk away. If we have no choice but to fight, it makes sense to spend what it takes to win. While any dollar amount in the billions is substantial, it's important to put it into perspective. The Vietnam War cost 12% of GDP at the time and World War II cost 130% of GDP.

The cost to defeat Saddam was less than half a percent of America's annual income (measured as gross domestic product). If spending continues at the current pace, our involvement could cost us 0.4% of our income for the rest of this year. If President Bush's request for $87 billion for Iraq and Afghanistan is approved, the cost of these two fronts will amount to about 0.8% of our income next year.

Put it in context

But what does that really mean? Each year American households spend about 1% of their income on alcoholic beverages and another 1% on tobacco products. We spend about 0.7% of our money on cosmetic products. In other words, our combined operations to combat terror in the Middle East cost a bit more than we spend on makeup and shampoo and a bit less than we spend on booze or tobacco.

What truly matters, however, is what would have happened had we not deposed Saddam. This is necessarily hypothetical. But we do know that taxpayers funded an extra $40 billion in federal spending immediately after 9/11. This came on top of the costs paid by others, notably insurance companies, and reflects the direct costs, not the cost of the disruption to our economy. Moreover, the lives lost on that day remain priceless.

One cannot tell with any certainty what would have happened if Saddam had stayed in power. Certainly, damage done by a chemical, biological or radiological attack on America would make the costs of Sept. 11, 2001, seem small by comparison. Having watched closely what happened to our economy on a day-by-day basis immediately after 9/11, I am certain that global economic growth would not be possible if such weapons were used by terrorists in America or on one of our major trading partners.

What we know

We know Saddam used chemical weapons on his own people. We know that in 1998 President Clinton publicly worried about the weapons of mass destruction Saddam had. Moreover, we know there were terrorist training camps in Iraq and that members of terrorist groups now are entering Iraq to fight us.

In an ideal world, the U.S. should not pay the whole cost of deposing Saddam and rebuilding Iraq. Countries such as France and Germany, which sold Saddam weapons parts and helped him build underground bunkers, are getting a free ride. They benefited from trading with Saddam and now gain from the reduction in potential terror by his departure, all the while enjoying the luxury of criticizing us.

But their record in combating tyranny is hardly exemplary. Without America, the French would be speaking German and the Germans would be speaking Russian. Europeans never have repaid us for our efforts on their behalf during the 20th century. But it was still in America's own interest to be involved in those conflicts. The same is true of deposing Saddam and building a more democratic Iraq. It's worth it, whether or not countries like France contribute.

On 9/11, we were attacked because terrorists did not fear retribution. We had not retaliated against attacks abroad or against the 1993 attack on the World Trade Center. Cutting and running from Iraq would embolden our enemies and risk untold loss of life and damage to our economy, costing far, far more than what we now spend on cigarettes or shampoo.

Larry Lindsey is president and CEO of The Lindsey Group, a global economic consulting firm based in Fairfax, Va.

Senator CORNYN. I think it's important for the American people to understand that we are talking about taxpayer money and we are the stewards of that trust that's placed in us. But we really, in my opinion, have no alternative, and I think your testimony supports that.

Finally, let me just ask Ambassador Bremer, I know there was reference made to The New York Times and The Washington Post and the perhaps mischaracterization, if not misstatement, of certainly Ambassador Bremer's conversations with the President and testimony here today. But I do note that there are at least two other newspapers, in addition to the fact that now the oil minister of the Iraqi Governing Council has participated in OPEC proceedings recently, the foreign minister accepted at the Arab League. But The Los Angeles Times and USA Today both point out that the President's efforts to—turn around perhaps is too strong a word—but to reach some rapprochement with the heads of the German and French Governments on Iraqi reconstruction have shown some signs of success, and I think in order to make this picture complete and to put it in proper context that we ought to talk about the great successes that we have seen. I see my time has expired, Mr. Chairman. Thank you very much.

Chairman WARNER. Thank you very much, Senator.

Senator Byrd.

Senator BYRD. Thank you, Mr. Ambassador, and thank you, General Abizaid, for being here and for the work that you are attempting to do. I have been, I suppose, one of the fiercest opponents of our going to war in Iraq. I didn't vote for, I believe it was, the October 11 resolution that gave to the President the power to determine when and where and how to use the Armed Forces of the United States in dealing with Iraq. I'm just as fierce, if I may use the word that has been used, an opponent today as I was then.

I do, however, try to be realistic. Our troops are in Iraq. I always support our troops and shall continue to do so. They don't ask to go and we are responsible for getting them back home again and for meeting their needs while they are in war. Now, when it comes to the other part of the request that deals with infrastructure, I

think that's an entirely different matter. I'm willing to listen. I've had a hard time, however, getting some other people to listen.

Now, you, Dr. Bremer, earlier said something to this effect. I can't write very well because I have benign essential tremor, but as I make out my own writing, the effort requires the cooperation of both parties in Congress, and I want to compliment you on that statement. The effort you're talking about in which you caused me to write that down, I think, was this effort that's going on here and that has been going on in the Appropriations Committee, of which I have been an active part.

I think that you do need the cooperation of the minority. I think you have it. I think you get it, but we don't agree with everything that's being done, naturally. The American people—if they were asked to vote on some of these matters, I doubt that you'd get a majority. I wish that you would do whatever you can do to have the Republican leadership here slow down this train a bit. We were brought into hearings—it's not your fault, Mr. Chairman. We were brought into hearings on Monday of this week. Members on our side were not, to my knowledge, informed that there would be a hearing on Monday morning.

Now, the chairman of the committee reset the hearing to the afternoon because I couldn't be there on Monday morning. But here we were on a Monday, when most Members of the Senate are elsewhere or coming from far points of the compass, and now we're expected to have a markup next Monday. It appears to me that my friends on the other side of the aisle are being a little too fast. I don't think it works to the betterment of what you are trying to accomplish here. It would seem that you'd have more goodwill on my side of the aisle. Now, I shouldn't make this sound like this is personal when I say "you," but you're asking for funds.

You see my time has already expired, and I don't complain about that except to say that's the way it is, and yet the administration's people here in the Senate, the administration's party I should say, is pushing this matter to the extent that it will not get the attention that it may deserve. I guess that leads me to this question. I believe you said that you didn't need the money until January. I believe you said that in the Appropriations Committee or in the Democratic Caucus, whichever it was. Is that a fact?

General ABIZAID. No, Senator. We need this money right away. I think there's some confusion. I was asked a specific question, which was, "When does the Iraqi Government run out of money?" and I said, "Sometime in January." That's not the same as this. We have to get these reconstruction programs going right away, as quickly as possible. There's nothing more urgent.

Senator BYRD. It's my understanding my time is up?

Chairman WARNER. Yes, but that's an important question that you raise. I had intended myself to raise it, so why don't you finish it out because that should be clarified to give the Ambassador adequate opportunity to inform the Senate.

Senator BYRD. Mr. Chairman, I believe also that the House is not marking up this bill until next week, if next week, and their markup would be next week or later. It leads me to say, I just feel that it would be in your interest and the cause which you're here to represent to lend a good word to this administration to slow down. I

don't remember seeing any measure so important as this one, important because it has $87 billion in it on top of the $79 billion that we appropriated earlier this year. You would certainly help me to better understand the request if we had a little bit more time.

Now, as I say, that portion of the request which deals with the troops, I intend to support that, but the other, I think there ought to be a lot of questions asked. I think we're going down a long road when we start to establish a democracy in Iraq and from that to democratize the Middle East. The American people didn't go into this war with that understanding. They weren't told that, but I certainly would hope that you'd use your good authorities to impress upon this administration the need to slow down this train. You don't need that money, if you need it all, you don't need that money all that fast. We should have time, Mr. Chairman, to ask questions. Thank you very much.

Chairman WARNER. I thank you, Senator Byrd. I'm told that the leadership is trying to work out a schedule to accommodate that bipartisanship as we are hearing today.

Senator Reed.

Senator REED. Thank you, Mr. Chairman. Ambassador Bremer, do you have accurate expense reports for the expenditures you've already made in Iraq?

Ambassador BREMER. Yes, we do.

Senator REED. Who has custody of those reports?

Ambassador BREMER. It depends on which funds we're talking about.

Senator REED. I'm talking about everything, since you're the authority.

Ambassador BREMER. No, I know, but there are different pools. There are the appropriated funds. There are frozen assets, there are seized assets.

Senator REED. I'm talking about appropriated funds, Mr. Ambassador.

Ambassador BREMER. Okay, yes, we do. The custodian of that is, I guess, the Office of Management and Budget (OMB)—the place you would go for the ultimate authority.

Senator REED. OMB would have detailed reports of all the expenditures to date?

Ambassador BREMER. Yes, it would.

Senator REED. Thank you. One reason I raise that is, as you're here in Washington, the Iraqi Governing Council has been in New York the past few days, and one of the members, in fact, speaking I think not just for himself but others, has complained that the Americans are spending money here to secure themselves at a rate that is two to three times what they are spending to secure the Iraqi people. It would be better for us if we would be in charge of how to spend this money, and, of course, they could monitor how it is spent. The article alludes to claims apparently that this gentleman made about $20,000 a day to feed Americans at the hotel, laundry being sent to Kuwait, overhead from supporting and protecting the large American and British presence less efficient, fees that American contractors charge, premiums.

[The information referred to follows:]

The New York Times

September 22, 2003, Monday
Late Edition - Final

HEADLINE: THE STRUGGLE FOR IRAQ: RECONSTRUCTION;
Iraqi Leaders to Press Congress For Control Over Rebuilding

BYLINE: By PATRICK E. TYLER

DATELINE: BAGHDAD, Iraq, Sept. 21

In a 6,000-mile end run around American and British occupation authorities, leaders from the Iraqi Governing Council say they will go to Congress this week to argue that American taxpayers could save billions of dollars on Iraq's reconstruction by granting sovereignty more rapidly to the council, the 25-member interim government here.

In interviews, the Iraqi leaders said they planned to tell Congress about how the staff of L. Paul Bremer III, the American occupation administrator, sends its laundry to Kuwait, how it costs $20,000 a day to feed the Americans at Al Rashid Hotel in Baghdad, how American contractors charge large premiums for working in Iraq and how, across the board, the overhead from supporting and protecting the large American and British presence here is less efficient than granting direct aid to Iraqi ministries that operate at a fraction of the cost.

"The Americans are spending money here to secure themselves at a rate that is two to three times what they are spending to secure the Iraqi people," said Ahmad al-Barak, a human rights lawyer and a member of the council. "It would be better for us if we would be in charge of how to spend this money and, of course, they could monitor how it is spent."

He estimated that in some cases the savings could be a factor of 10. "Where they spend $1 billion, we would spend $100 million," he said.

In the spirit of demonstrating such savings, the Governing Council this month canceled the $5,000-a-day contract that Mr. Bremer had arranged to feed the 25-member body and its staff and found a cheaper supplier. Mr. Barak said he did not know the cost of the new contract.

President Bush has asked Congress for $87 billion to finance military and reconstruction operations in Iraq and Afghanistan in the coming year. Of that amount $20.3 billion is dedicated to Iraq's reconstruction.

The council's maneuver to bypass Mr. Bremer, who has flown back to Washington for meetings this week, seemed bound to irritate and embarrass him. Council members said Mr. Bremer was not told in advance of the council's plans to send representatives to Washington.

Mr. Bremer has said the council is not yet ready to take on more governing responsibilities. He was unavailable for comment tonight, but his spokesman here, Nabeel Khoury, said Mr. Bremer would be answering questions in Washington "about what we have been doing with the money we have" and would be explaining how the occupation authority would spend the $20.3 billion the White House has requested.

The council's end run reflects a political struggle between occupiers and the occupied that Iraqi officials say is inevitable and, so far, has not undermined the otherwise close working relationship that the council maintains with Mr. Bremer and his staff. But the good will is wearing thin as the interim Iraqi leaders, most of them from the opposition groups that helped persuade the Bush administration to topple Saddam Hussein, become increasingly frustrated with the deteriorating security in the country and the impatient expectations of Iraqis to see some fruits of what the United States calls their liberation.

"To proceed, we need a new political consensus among the United States, the coalition and the Governing Council itself," said Iyad Alawi, a council member who will take over the rotating presidency of the governing body next month.

For that reason, he said, the delegation is being sent to Washington to seek support in Congress for a more rapid transfer of sovereignty, budget resources and security responsibilities to Iraqis.

Mr. Alawi was one of the five former opposition leaders who met privately in northern Iraq last week to formulate a proposal that would call for American troops to return gradually to their bases in Iraq and turn over the day-to-day policing of the country to a national Iraqi security force under the Ministry of Interior. The force would be drawn from the militia forces, but also from local tribes and police forces tailored to the security requirements of each part of the country, according to officials who attended the meeting.

One member of the delegation headed to Washington, Ahmad Chalabi, this month's president of the council, said the group would press Congress to support a proposed United Nations mandate that would grant sovereignty to the current interim government before a new Iraqi constitution is written and before national elections are held.

"We don't want to antagonize the United States in any way, shape or form," Mr. Chalabi said before he departed this weekend. But at the same time, he said, the daily attacks on American troops, accidental shootings of Iraqis and an overall sense of instability threatens to undermine American support for a long-term commitment to the emergence of a democratic state in Iraq.

"If we get sovereignty, the first thing we will do is ask the Americans to stay," he said.

Also headed to Washington was Adnan Pachachi, who had unsuccessfully sought to persuade Secretary of State Colin L. Powell during a meeting in Geneva this month to endorse the council's bid for a new United Nations resolution ending the occupation and turning over sovereignty in the next few months.

Mr. Pachachi then took his draft elsewhere in Europe, where he found greater support among the French and Germans, who opposed the American invasion of Iraq. Though Bush administration officials were said by Iraqi leaders to resent their lobbying efforts, the Iraqis point out that President Jacques Chirac of France has modified his earlier proposal to turn over power in a matter of weeks -- something Mr. Powell dismissed as unworkable -- to a matter of months.

Missing from the delegation to Washington will be Akila al-Hashemi, who is recovering from a gunshot wound suffered in an assassination attempt on Saturday.

Senator REED. Is this Mr. Ahmad al-Barak inaccurate, irresponsible?

Ambassador BREMER. The story is inaccurate. I don't remember which part he was quoted on. I think I answered in testimony the other day that the spending amount for food is actually $17,500 a day. That feeds 3,000 people, therefore, at an average cost of about $5.50, which, as I pointed out to that committee, is $2.50 less than Meal, Ready-to-Eat (MRE) costs, and I might add is only marginally better than an MRE.

Senator REED. Is he incorrect, though, in terms of his charges that they would be better prepared to spend the money?

Ambassador BREMER. Oh, I'm sure there are plenty of people in Iraq who would like to spend $20 billion, but he is incorrect if he thinks that the Iraqi Government can spend it in a better and more responsible, more transparent and accountable way than we can do it, yes.

Senator REED. Let me ask another question. Is any of the money in this supplemental for the oil industry in Iraq?

Ambassador BREMER. Yes, there is $1.2 billion for reestablishing the infrastructure so that we can get the Iraqis to a point where they can generate oil revenues, which you'll see in the supplemental, $1.2 billion.

Senator REED. As we're here today talking, the Iraqi oil minister is in Vienna inviting foreign oil companies, international oil companies to invest in Iraq. It seems to me that we are restoring the infrastructure so that foreign oil companies can come in and essentially and probably securitize and do all the things you think are terrible, securitize this oil so they can invest and make a profit?

Ambassador BREMER. I'm not sure what the ultimate policy will be on foreign investment in the oil industry. The foreign investment law, which they asked me to sign a week ago today, explicitly

excludes investment by foreigners in the oil industry. This is an extremely sensitive subject, as you can appreciate, and the governing council explicitly excluded the oil industry for the time being, so we'll just have to see how that evolves. I honestly don't know what they'll do. I think they should allow foreigners to invest, but it's a sensitive subject.

Senator REED. In an interview with The Wall Street Journal, the oil minister said that "Baghdad welcomes proposals from foreign oil companies about how to develop Iraq's fields, and said he plans to talk with representatives from several international oil companies in coming days." Apparently he has decided that.

[The information referred to follows:]

Wall Street Journal
September 25, 2003

Iraq Invites Foreign Oil-Firm Offers

Seeking Help in Developing Petroleum Sector, Minister Solicits Investment Ideas

By Chip Cummins, Staff Reporter Of The Wall Street Journal

VIENNA -- Iraq's oil minister, in his strongest overtures so far to foreign investors, invited international oil companies to pitch investment ideas to Baghdad and said the country's interim government plans to quickly seek outside help in developing its vast but dilapidated petroleum industry.

"To develop the oil sector, we need foreign investment," said Ibrahim Bahr al-Uloum, Iraq's newly appointed oil minister, who was here for his first appearance at a gathering of the Organization of Petroleum Exporting Countries.

In an interview, he said Baghdad welcomes proposals from foreign oil companies about how to develop Iraq's fields, and said he plans to talk with representatives from several international oil companies in coming days while he is in Europe. He declined to say which companies he is meeting.

Conference Discussions

Meanwhile, Iraqi officials are discussing plans to host a conference later this year in Baghdad, where foreign oil executives could meet Oil Ministry officials. Mr. Bahr al-Uloum said the conference would be just one step by the ministry to solicit ideas for jump-starting Iraq's oil sector, hobbled by years of war, oppressive leadership and sanctions. The ministry also is encouraging companies to visit officials in Baghdad before then. "Whoever comes, we'll see what their package is," he said.

Iraqi officials have approached the Overseas Private Investment Corp., a branch of the U.S. government that helps promote U.S. investment overseas, to participate in the conference, though the timetable and agenda for the conference aren't set yet.

Mr. Bahr al-Uloum said Iraq plans to boost oil production to at least 3.5 million barrels a day by 2005. Iraq is currently producing about 1.8 million barrels of oil, he said, compared to about 2.5 million before the U.S.-led invasion this spring.

In the interview, Mr. Bahr al-Uloum said Iraq's Oil Ministry hadn't yet decided the best way to structure foreign investment, mentioning so-called production-sharing agreements, in which oil companies and the state share in costs and profits from a development project, as one likely method.

Mr. Bahr al-Uloum was appointed this month by the Iraqi Governing Council, itself handpicked by the U.S.-led occupation authority in Baghdad. He has championed foreign investment and partial privatization in parts of the oil industry, but previously had said such decisions wouldn't be made until a more representative government took power in Baghdad.

Authority to Sign

He went considerably further Wednesday, calling on foreign oil companies to come up with suggestions,

which Oil Ministry officials could begin studying quickly. He said the Iraqi Governing Council has the authority to sign deals, even before the end of the U.S.-led occupation.

Mr. Bahr al-Uloum said the ministry's priority is with restoring and developing existing fields to boost production to prewar levels. He said that because large-scale exploration and production deals -- the most lucrative for major oil companies -- can take a long time to hammer out, such pacts should be studied and negotiated ahead of the formation of an elected government in Baghdad.

"It's a long process. We hope that we can prepare the packages for an elected government" to sign, he said. Shorter-term work, such as contracts to provide drilling, surveys and other oil-field services, could be signed more quickly by the Governing Council, he said.

But many major oil companies have said that Iraq's unstable security situation and the lack of a fully recognized government will keep them away for some time no matter what the opportunities may be.

"You can't send anyone Western in [to Iraq] because of the security situation," said an executive for a major international oil company. "And if we can't go there, we can't evaluate or make any proposals."

Iraqi officials reiterated Wednesday that development deals negotiated before the U.S.-led invasion will be reviewed on a case-by-case basis. Nabeil Hassan al-Musawi, a Governing Council deputy traveling with the minister, said companies from the U.S. and other countries that helped topple Saddam Hussein may be given preferential treatment in contract negotiations in a sign of gratitude, but Mr. Bahr al-Uloum said all deals will be competitively bid and transparent.

To lure foreign executives, Iraqi oil officials are planning to host a conference tentatively scheduled for early December. An Iraqi Oil Ministry official traveling with the minister said conference details are still being worked out.

Iraqi officials have discussed participation by OPIC, the U.S. government agency that helps American businesses invest overseas. An OPIC spokesman said, however, that it hasn't made any decision on its level of participation in the event. "All of this is very preliminary," he said.

Ambassador BREMER. Well, good.

Senator REED. Good. So we will be preparing the infrastructure for foreign investment?

Ambassador BREMER. If we're lucky, if he is able to carry his government, and I point out that he, as you read that, said he was inviting proposals. He didn't say they were going to invest. Let's see what happens. I hope the government will. In fact, I think they should. I've told them that if they're going to be successful economically, they must at least double their oil productions, because even if they get back to the prewar level, which is where we hope they can get in a year, it means a per-capita income of less than $1,000 per Iraqi. That's not very impressive for a country that should be wealthy, and the only way to substantially change that wealth is to greatly increase oil production. That's going to cost them $30 billion to $40 billion that they're going to have to get, I presume, from foreign investment. But that is a decision that I think they have to make.

Senator REED. But, Mr. Ambassador, we seem to be the only investor that's not taking any future receipts or future claims on the oil, because I can't think of any international oil company that's going to walk in and invest a nickel unless they are assured that they're getting something back.

Ambassador BREMER. As I said, they don't have a policy of letting anybody invest in oil yet. That's the policy. I signed the law. I know what's in it, Senator.

It does not allow investment in the oil industry.

Senator REED. You picked the oil minister, also, and he wants to invest from foreign——

Ambassador BREMER. Actually, I didn't pick him. The governing council did.

Senator REED. Oh, you didn't. You just picked the government who picked the oil minister.

Ambassador BREMER. He is a very good man. He is a petroleum engineer. He's another example of what I said to the chairman earlier about the competence of this government. They are extremely competent people.

Chairman WARNER. Gentlemen and ladies of the committee, I certainly thank you for assisting me and Senator Levin in running this hearing on time. I'd like to acquaint you with the following information. At 1:15, the Senate will be voting on the Defense Appropriations conference report.

We'll all want to make that vote. We have two colleagues who have not had their opportunity for the first round, so we'll proceed to recognize those two colleagues now with the understanding that I will return, and perhaps the distinguished ranking member, for such remnants as we have so that our witnesses are on their way at about 10 minutes to 1:00, because they have a 1:30 appearance before the House Armed Services Committee.

Senator Bill Nelson.

Senator BILL NELSON. Thank you, Mr. Chairman, and welcome gentlemen.

Chairman WARNER. Excuse me, yes, 1:15 vote, so I guess we're out of the opportunity for a second round. Well, we'll go to 1:15 with these two colleagues.

Senator LEVIN. What time is it now?

Chairman WARNER. I think I have misspoken, you're right, and I correct myself. We'll recognize our two colleagues, and the note didn't reflect the time. Senator Nelson.

Senator BILL NELSON. Thank you, Mr. Chairman.

Gentlemen, welcome. General, you're my home State Floridian, and we think that you're doing a great job. You will have this Senator's support, and I support the judgment of the commanders on the ground, as well in your military structure. But I need to make you aware that I am receiving evidence of increasing fatigue in the units that participated in the major combat phase of the operation, evidence such as increased accident rates. This is one way that I receive that information; that's all e-mails, e-mails from the troops that are there in Iraq as well as e-mails from the family.

I have a couple of questions that I want to ask you if you could comment for the record, but I want to first give you one example. Company C, the 2nd battalion, the 124th infantry of the Florida National Guard, before the war actually dug by hand through the berm that marks the Jordanian/Iraqi border, and then they went into Iraq—this is before the 19th of March—in support of the 5th Special Forces group. Since then, in Iraq, Charlie Company has been passed around the theater from command to command about 10 times, from the 5th Special Forces group to Special Ops headquarters to the 5th Corps headquarters to the 3rd Infantry Division to the 2nd Armored Cavalry Regiment and now to the 1st Armored Division. Charlie Company is still there. They've suffered two fa-

talities—one gunned down at the university in Baghdad, it was a Gainesville, Florida, National Guard soldier, another in a vehicle accident also from Gainesville, Florida, and a third has been wounded in the neck.

Other companies of the three Florida National Guard battalions have been passed among headquarters all over the theater no less than 40 times since arriving in the area of operations. Now, I can tell you—and you probably know the reputation of our Florida National Guard—they are justifiably proud of their contribution to the war. We, in Florida, have the third highest number of Guard and Reserve soldiers mobilized and deployed globally. Florida has deployed the second highest number of Guard soldiers to the Iraq theater and is only exceeded by Alabama by 38 soldiers. Alabama and Florida among the Guard are in a class by themselves, mainly supplying those troops. No State has provided more infantry from its Guard than Florida.

General, the sense that I'm getting is that they are fatigued, and, as the commander, you have to be concerned about fatigue and replacing with fresh troops. Yet this new policy has come in, 12 months boots-on-the-ground, which is going to allow some Guard units to go back having been there 11 months, but is going to cause some Guard units such as Florida to be extended all the way out close to a year and a half. I would ask for your comment for the record. What is your assessment of fatigue in the current force, and when, in your judgment, do you have to have fresh troops? Let's take that one first.

General ABIZAID. First of all, let me comment on the 124th. One reason they've been passed around a lot is because they do a pretty good job; people want to have them. You know how it is, sometimes when you're good, what happens to you. Fatigue in the force exists no doubt in those areas especially where there's a lot of fighting going on, and the 124th has been in an area in the Baghdad/Ar Ramadi/Fallujah area, which is really one of the most geographically hot areas that our troops experience.

I know that we have to address the issue of fatigue, and we're doing that in a couple of different ways. One way is we are allowing what we call the fighter pass management program to go ahead, which allows troops to go into the local area, for example, into Qatar for a few days, where they get away from the combat zone, they can relax, take a shower, and have a beer. We're also getting ready to start a rest and recuperation program that will allow troops to get away for a couple of weeks, back into Europe and in some cases back as far as the States if the transportation system will support it.

We are mindful of the fact that it is a tough mission, it is a fatiguing mission, and we're also very mindful of the sacrifices of our soldiers, and God bless our soldiers that have given the full sacrifice. We do everything we can to be equitable. There's no difference in my mind between what the Guard and Reserve and the Active Forces do. They all have to serve their country. You weren't here before, Senator, but I said clearly that I'm not satisfied that we have alerted our National Guard soldiers and Reserve soldiers to their go-home date, which is essential for every soldier to have, and I take responsibility for that and I will fix that.

Let me close by saying thanks to them for their great service and all the National Guard and all the Reserve and all the active troops that are out there. This is a tough environment. It's a deadly environment in some cases, but whenever I talk to the soldiers, and I talk to a lot of them, it's clear to me that they know why they're there, they know it's going to be long, and they know they either fight there or they fight here.

Senator BILL NELSON. I will be following this up privately, Mr. Chairman, on the question of the equity of some units less, others more, where this could be extended all the way to a year and a half.

Chairman WARNER. Senator, you have been consistent in raising these important questions, not only on behalf of Florida but other Guard and Reserve units across the country. I thank you for that.

Senator Dayton.

Senator DAYTON. Thank you, Mr. Chairman. Mr. Ambassador, General, I want to thank you both for your very distinguished service. Mr. Ambassador, I'm respectful of what you said before our caucus the other day that you'd rather be with your family. You're both making that sacrifice, as are our 138,000 Americans, many Minnesotans, who also miss their families, and I will support your request, the President's request. I may join with my colleagues in trying to fine-tune the economic recovery part of it, but I believe that part is equally indispensable to getting our troops home as quickly as possible with a lasting victory secured, which ought to be our objective. That's certainly my objective.

When I was in Iraq the brief time with the chairman, I couldn't keep up with him there. He wouldn't take me to Liberia. He said I slowed him down in Iraq. But it was clear to me that the economic rehabilitation is essential. I guess I would say editorially that I think that much of what is in this request now for economic rehabilitation should have been in last spring's request. It should have been anticipated, not every specific, but certainly the fact that we have been delayed in getting these projects fully underway is affecting our troops and their safety as well as the attitudes of that country toward our own. So I support it. I just have a couple of questions regarding it, and I'll try to be brief in my questions and ask you to be concise in your answers so I can get through before my time is expired.

Mr. Ambassador, bottom line, just elaborate here, how many Iraqis are we paying and out of what source of funds? It said here that 250,000 Iraqi officers will receive a monthly stipend, salaries that the authorities are paying teachers, health care workers, pensions, emergency payments, and 39,000 electrical workers. Another one here says that 92,000 Iraqis are receiving social security and benefits four times higher than they received under Saddam Hussein. Good, and 1.3 million Iraqi civil servants are drawing salaries. What does all this add up to?

Ambassador BREMER. The total number of people that the Iraqis are paying, not the American taxpayer. These funds come from Iraqi funds. It's about 1.5 million, and our monthly payroll is about $200 million.

Senator DAYTON. We're paying 1.5 million Iraqi citizens for various duties or just survival?

Ambassador BREMER. The kinds of people you mentioned, right? Their salaries.

Senator DAYTON. That money is entirely out of Iraqi revenues?

Ambassador BREMER. That's right.

Senator DAYTON. Okay. Presumably, if Iraqi revenues were used for something else, then there would be fewer dollars that would have to be drawn down the United States. I won't quibble with you on that, but thank you. General, we get these different statements about what is really occurring over in Iraq. On September 6, Secretary Rumsfeld, being over there, said that the impact of continued attacks against U.S. Forces have been overstated and likened them to "isolated terrorist violence in every country in the world." Four days before that, September 2, Deputy Secretary Wolfowitz said that the international extremists and terrorists are coming into Iraq to take part in something that they think will advance their cause. He said that in the last month more than 200 foreign terrorists who came to Iraq to kill Americans, do everything they can, have been killed, have been captured by the United States, so they must be defeated and they will be.

Are we talking about something that's just run-of-the-mill or are we talking about something that's different from that? What is the extent of which there are foreign terrorists infiltrating Iraq now? I apologize if this question was asked before.

General ABIZAID. No, Senator, I think it's an excellent question for me to answer. There's nothing run-of-the-mill about what we're doing in Iraq with regard to fighting a low-intensity conflict. It is a very dangerous place, and I would summarize the various groups that we are fighting as first of all being the former regime loyalists, the Baathists that are primarily operating in the Tikrit/Ar Ramadi/Baghdad area. Although over time we are isolating it geographically more and more.

I would characterize that threat as diminishing, primarily because they understand that there's no hope to bring Saddam back and there's no hope to reestablish the Baath party. Nevertheless, it is a threat.

The next threat which is growing is that of what I would call anti-American. I hate to use the word Islamists because they certainly aren't Islamists; they're just the opposite. They're anti-Islamic. But these extremists that are now starting to develop in the Sunni area are probably increasing in strength, although not at an alarming rate, but it is something that we have to watch.

Senator DAYTON. I'm sorry, General, my time has expired. I'll have to cut us both off here, but I did promise several constituents that I would ask, is combat pay being continued for both Afghanistan and Iraq?

General ABIZAID. Yes.

Senator DAYTON. Thank you, sir. Thank you, Mr. Chairman.

Chairman WARNER. Thank you very much, Senator. Colleagues, we've now completed the first round. Again, our witnesses are due to testify before the House at about 1:30. As a courtesy to the other body of Congress, I would hope that we can release them here at 12:45 and I think that will enable us to have a second round. I personally will take no more than 3 minutes.

First, Ambassador Bremer, in response to Senator Byrd's important question about the January issue, have you sufficient time to clarify that? If I could go a step beyond and say, to the extent Congress acts early on the decision on these funds, is the extent to which you can accelerate certain programs, which programs, be it electricity, water, are the most important of $5 billion for security? Then, General Abizaid, is there a correlation to that acceleration to your hypothesis that the two parts are integral and that we would hope there would be less threat and injury and harm to U.S. troops and Coalition Forces?

General ABIZAID. Yes, Senator, the most important thing that is accelerated by this supplemental are the security parts, the part where we can speed up the training of the Iraqi army, instead of taking 2 years, take 1. We can't do that without more money, speeding up in particular the training of the Iraqi police force, which will require almost $2 billion. Every month that goes by where we don't start those projects is a month longer before those guys go out and potentially can relieve our troops of some of the duties that I've outlined in my statement.

The same is true for the infrastructure projects. We need to start letting contracts. We have to have open bids. It's going to take time. If we can start those bids now, quickly, we can get the repairs started more quickly.

Chairman WARNER. Is there a correlation in your professional judgement, General Abizaid?

General ABIZAID. Sir, there certainly is. The more Iraqis that are policing, that are patrolling, that are doing the security work to defend their own country, the sooner we'll be able to draw down our forces and the sooner we'll be able to turn over the country to the rightful owners, which are the Iraqis.

Chairman WARNER. It has a correlation to the tragic situation of deaths, loss of life and limb by our forces and coalition, am I correct?

General ABIZAID. Sir, there is a correlation, but we should all make sure we understand that as long as American troops are in Iraq, there will be casualties. It is a violent place, and it will remain violent for some time.

Chairman WARNER. Thank you. My second goes back to the earlier question that I asked, that Senator McCain asked, and I think Senator Clinton was also trying to urge. In this $5 billion for security, and particularly the funds related to the national army, if you look at The Sunday New York Times, there's a very interesting article by Tom Friedman [article previously inserted] indicating that to the extent you can put forces in Iraqi army uniforms directly in confrontation with the threats faced by our forces and Coalition Forces, the less likelihood, because of the language barrier and other things, of casualties. Is this directed toward expediting that?

General ABIZAID. Indeed it is, both in the respective police and army, and I would also add the Civil Defense Corps, where we hope to have 10 battalions by the end of the year.

Chairman WARNER. But you said it's a new initiative?

General ABIZAID. Yes, it is. It's a new and urgent initiative.

Chairman WARNER. Fine. If you could further define it, I think it would be helpful.

Senator Levin.

Senator LEVIN. Thank you. Ambassador Bremer, I raised with you the question of collateralizing some of the future sales of Iraqi oil where they expect they will be in surplus to the needs to run the government on an ongoing basis. This is not a loan. This is a collateralization, which would be guaranteed by the United States, which is the opposite of our lending them money. As a matter of fact, we would be taking risk for them by guaranteeing that loan.

Senators Collins and Clinton and Ben Nelson raised this same question, in a perhaps different form, but it's essentially the same question. When I asked you that question, you indicated that you would be willing to think about the possibility of that pledge of future surplus oil to be sold now by collateralizing it, and with our guaranteeing that, so that even though there is no government there at the moment, it could be sold.

Now, when I asked you would you give consideration to that approach, you indicated you would. Did you mean it?

Ambassador BREMER. Of course.

Senator LEVIN. Because in answering to some of the other questions that followed, it sounded as though you had already made up your mind.

Ambassador BREMER. No, Senator. I'm perplexed as to how it would actually work. I'm concerned that if we are not careful we wind up with two problems. One, we wind up in effect taking a lien against the resources which we want the Iraqis to put into their reconstruction in the years ahead. You can't spend it twice.

Senator LEVIN. We're not taking a lien. I didn't make any reference to a lien, Ambassador.

Ambassador BREMER. Effectively, it is a lien if you collateralize it.

Senator LEVIN. I said we would guarantee it. I didn't say we'd take a lien on it. At any rate, are you willing to look into that? Obviously we're troubled here.

Ambassador BREMER. I understand.

Senator LEVIN. Many of us are troubled here by the fact that we're being asked to put up $15 billion for reconstruction funds and that the Iraqis have this huge asset. They're going to have surplus oil sales in a few years. You could collateralize it now with our guarantee—not a loan, but our guarantee—which supports the Iraqi Government, which makes them contribute to their own reconstruction. I'm not talking about ongoing operations.

If you can at least openly address that deep concern that we have, it would be progress in terms of trying to see if we can't get some ideas exchanged around here which address the concerns of the American people.

Ambassador BREMER. I took your suggestion as a helpful one and I agreed to look at it.

Senator LEVIN. All right. Now, General, I agree with almost everything you've said. But one of the things you said troubles me, and that is that the mission of the $15 billion—okay, my time's up.

Senator DAYTON. I'll cede my time, Mr. Chairman.

Chairman WARNER. I accept that if you wish to continue.

Senator LEVIN. I want to thank Senator Dayton. When you talked about the $5 billion of the $20 billion, I agree with you to-

tally. That's training and Army, that's building police force, and I'm with you; I'd vote for that tomorrow. But then when you go to the other $15 billion, you said that its mission is to achieve the consent of Iraq's people. That troubles me. We cannot buy that consent. That will, which we need, and by the way I share that, I think we need willpower here. This is a very difficult situation. We need willpower. But the Iraqi people need willpower as well. We can't buy it.

As I said in my opening statement, and here I'm going to just quote myself, which I don't usually do, but I meant it so deeply I want to just repeat one line—"that it is essential that the people of Iraq want to become a unified and secured nation badly enough that they're willing to make that pledge and that financial commitment to raise funds now for their reconstruction." That would be addressing a major concern which a lot of us have.

We've given huge amounts in blood and treasure. We know the Iraqi people are sacrificing, in terms of their risk-taking, they're at risk obviously, the terrorists and the Baathist remnants and so forth. But when they have an asset such as they have in future surplus of oil sales in the fairly near future, which can be collateralized, pledged, and sold now with our guarantee, I think it's wrong to look at that $15 billion as a way of buying their consent or achieving their consent. I just think it's wrong. I think we have it wrong. They have to want it badly like our fellow Americans wanted in 1776—to be independent, and to pledge their lives, their fortunes, and their sacred honor. That's what is needed now and what they have to do. One way to do it is to work something out relative to that future oil surplus, again not necessarily a loan from us—even though I don't think that would be so bad either because I think we ought to subrogate the other loans—but in terms of our supporting that pledge, that sale.

I just wanted to express that, General. You and I have had agreement, I think, on most things. I just think you're doing an absolutely superb job and have a real command of the history of the region, which is essential, as well as language, which is so essential to our success. But on that one comment of yours, particularly, I wanted to just tell you I'm troubled by stating it that way, that $15 billion is part of the mission to "achieve consent of Iraq's people." Just to let you know I disagree and give you a chance to comment on it if you want.

General ABIZAID. Thank you, Senator. First of all, I don't believe we can buy the Iraqi people, and I do believe that in these difficult times, in these formative times, they need the help. Perhaps my choice of words didn't convey what I really mean because I have great faith and great confidence in the Iraqi people to expend their own blood, sweat, and tears in this endeavor. They're doing that, but when you look at the structures that exist to allow them to be able to organize themselves in this particular time, they don't much exist. That is what Ambassador Bremer is building, and I don't think that this needs to be an endless amount of money that flows into Iraq. I believe that this supplemental gives us a chance to get the security moving in the right direction, get reconstruction moving in the right direction, and give the Iraqis a chance to help themselves.

Senator LEVIN. Thank you for that. I think they need our support. We need to get the world involved much more deeply than they are. That's going to take certain actions on our part, but we need the Iraqi Government such as it exists now to find that way that they can pay part of the reconstruction costs so it's not just us delivering assistance to Iraq, but it's them pledging their fortune in the same endeavor, which is an important endeavor. Thank you.

Chairman WARNER. Thank you, Senator Levin. Senator Talent, and thank you, even though this is your first round, for agreeing to the 3 minutes.

Senator TALENT. That's fine, Mr. Chairman. I had to step out although I was here for your statements earlier. I want to congratulate you on the progress that you're making. I agree. To do what we've done in 4 months is, I think, a testimony to the quality of the people we have on the ground and your leadership, and I'm grateful for that.

A couple of points. First of all, I'm rather pleased, it seems to me, on the fairly broad range of consensus that I've heard in the committee about this request. I mean, the difference really seems to be not over whether we ought to provide the money, but whether part of it ought not to be purely some kind of grant, and I think actually that bespeaks a rather great amount of unity. Now, as I understand what you're saying, and certainly this is my understanding of the situation, we're not spending this money for the electrical system and the other things.

You're not proposing that purely or even mostly out of a desire to be charitable to the Iraqis, however laudable that may be. We're doing this because we think this helps protect American security and freedom because it's going to help Iraq become a reliable and stable ally in the war against terror. Is that a fair statement to you?

General ABIZAID. Yes, that's right, Senator. When we spend American money, it should be in America's interests, and that's what this is.

Senator TALENT. Yes, we do a lot as a Nation and privately and publicly for charitable reasons, but that's not what we're talking about. It does seem to me that if that's a correct thing to do, which we all seem to agree that it is, we ought to do it in such a way that makes it most likely Iraq will indeed become an ally in the war against terror or not do it. To me, if we don't think it's necessary to accomplish that goal, then let's not spend the money. If we do, let's spend it in the way that makes it most likely that they'll be a reliable ally.

Another point I wanted to make, and I think you touched on this before, Iraq already has a lot of foreign debt. We're asking other countries, are we not, to contribute directly in the form of grants to Iraq? It's going to be hard to ask them to make outright grants to Iraq if we're conditioning our money as a loan, isn't it?

General ABIZAID. Yes, that's correct. There is a donors conference at the end of next month in Madrid where we're hoping for substantial grants from other countries.

Senator TALENT. I hope we're repairing our relationship with old Europe, but I don't expect it to be at such a point where they're

going to be willing to give money to Iraq if we're loaning it to Iraq. I don't think we can expect that much from the French.

Finally, I'll just close with this. Mr. Chairman, I appreciate your patience. Would you restate again the urgency of this in your mind? I think that's important. The reasons you're trying to get this done as quickly as possible are because we want an ally in Iraq as quickly as possible and also because there are dangers if we don't move quickly. Would you just restate that again?

General ABIZAID. Every day that goes by where we are not speeding up the army, speeding up the Civil Defense Corps, speeding up the training of the police, is a day when our soldiers, men and women, are not being substituted for by Iraqis. That's the security part of this supplemental, about $5 billion of the $20 billion. Every day that the Iraqis do not get power, do not get water, do not get sewage treatment, is a day when their quality of life is such that they're less inclined to view us as liberators, more inclined to view us as occupiers, and that also increases the danger to our men and women.

Chairman WARNER. Thank you very much.

Senator Byrd.

Senator BYRD. Mr. Ambassador, you said today that the CPA is better able than the Iraqi Government to spend this $20 billion request in a manner that is "responsible, transparent, and accountable." Yet, when asked for detailed expense reports for appropriated funds, you referred this committee to the White House, in other words to OMB, and we're not going to hear the OMB. I wish we would, especially in the Appropriations Committee. I think we should, but we're not going to get any "outside" witnesses.

Let me say that again. You referred this committee to the OMB for that information. If you're so committed to transparency and accountability, why can't you provide detailed information about your expenses directly to Congress? Can you do that?

Ambassador BREMER. I believe these funds belong to the Executive Office of the President. That's how they were appropriated, Senator. I'm not an expert on reporting requirements, but my understanding is the reporting requirements attached to the legislation required the Executive Office of the President, in the form of the OMB, to be the channel, which these funds are reported to Congress. But I'm not an expert in these matters, sir.

Senator BYRD. I'll let the record stand as it is because I don't have time to pursue it. In your opening statement, that every reconstruction contract awarded using this $20 billion request will be competitively bid, does this mean that you will not exercise any national security waivers to cut short the competition process?

Ambassador BREMER. It is my intention not to exercise any such waivers.

Senator BYRD. It is your intention not to do so.

Ambassador BREMER. That's right.

Senator BYRD. Will you also commit to providing this committee information about these contracts after they are awarded so that the committee can monitor the costs of reconstruction to make sure that taxpayers are not being fleeced by companies. Halliburton is very much in the news, very prominently displayed in the front pages and so on, so that's what I'm driving at.

Ambassador BREMER. Senator, we will follow whatever reporting requirements Congress puts in the legislation.

Senator BYRD. Is my time up?

Chairman WARNER. Yes, thank you, Senator Byrd.

Senator BILL NELSON. Senator Byrd, would you like my time? I would yield it to you.

Senator BYRD. That's very nice of you. Mr. Chairman?

Chairman WARNER. Yes, of course.

Senator BYRD. The White House has stated that in your position as the Administrator of the CPA, you report directly to the Secretary of Defense. However, the administration has given you a very long leash with which to work, and the CPA appears to be exercising its own independent authority and day-to-day operation. The first regulation you signed in Iraq contained the following statement, "The CPA is vested with all executive, legislative, and judicial authority necessary to achieve its objectives, to be exercised under relevant U.N. Security Council resolutions, including Resolution 1483" and so on.

"This authority shall be exercised by the CPA Administrator." Now that's a very powerful statement. Does this authority mean that, as CPA Administrator, you are the person who is ultimately accountable for the policy and spending decisions being made on the ground in Iraq? In other words, does the buck stop with you?

Ambassador BREMER. Yes, it does.

Senator BYRD. In answer to that first question, you are the person. What is the basis for the broad authority that you are claiming in this regulation?

Ambassador BREMER. The basis for that authority, Senator, is international occupation law and the U.N. Resolution you cited, 1483.

Senator BYRD. Did the President issue any specific order giving you this authority?

Ambassador BREMER. Yes, that order relates to the international legal implications of being the occupying power in Iraq. My authority within the executive comes from a letter from the President, which is consistent with letters and legislation that are issued to every American ambassador overseas.

Senator BYRD. Do I have any further time?

Chairman WARNER. You have about half a minute, sir.

Senator BYRD. Very well, thank you. General Abizaid, if we have contractors coming in to take over the jobs that our National Guard has been doing, does that mean that our guardsmen will be coming home sooner?

General ABIZAID. Sir, we have contractors moving in to do various things, and with regard to some of our logistic units, whether they be active or National Guard, if we contract out that function, those units will not stay. They will come home.

Senator BYRD. Thank you, Mr. Chairman, for the time.

Chairman WARNER. Senator Byrd, I thank you very much for your cooperation and that of all Senators here.

Senator Inhofe.

Senator INHOFE. Thank you, Mr. Chairman. I was advised during my absence that one of the questions I was going to ask has already been asked. For either one of you: There has been some criti-

cism that there is too much concentration of authority in Baghdad and perhaps some of the areas in the north, in the south, might feel that there is too much centralized control. Do you have any thoughts about that?

Ambassador BREMER. It's a legitimate concern, Senator, and one of our broad political objectives as we move forward is to try to get away from an overly centralized government and try to devolve power to the governances, to the municipalities, and we're doing that.

Senator INHOFE. Lastly—and you can take whatever time you want to answer this—you have been attacked in many hearings about not having a plan, and you clearly do have a plan. In this plan that we have seen, it outlines four areas. I'll read those: security, essential services, economy. Then when it gets down to governance, if I understand this correctly, that's where your seven-point plan comes in. Is that correct?

Ambassador BREMER. That's correct.

Senator INHOFE. All right. On the first three—not now, but for the record—I'd like to have maybe a percentage, for example, establishing a secure and safe environment. Where are you along that road approximately? The same under essential services, and under services I hope that we're not talking about putting a country back into services it didn't have before the liberation. I think that's a very important part to keep reminding people. So perhaps where we are on that road, and then, lastly, creating the conditions for economic growth, where we are there.

[The information referred to follows:]

This question is hard to quantify exactly. The percentages within these categories vary at any moment, but we are making significant progress. I should emphasize that we are actively addressing each of these areas. The 2207 report provided to Congress in accordance with the Supplemental Appropriations Bill provides the outline of how we are focusing our efforts. Our ministries and their advisers are pushing forward in each respective area.

Senator INHOFE. Now you mentioned under governance, you are into point four now?

Ambassador BREMER. Yes.

Senator INHOFE. Do you feel that that is pretty much on schedule of where you thought you would be at this time?

Ambassador BREMER. No, I think we've slipped about a month. Now at this point, the preparatory committee is due to report back to the governing council by Tuesday on their recommendations on how to convene the constitutional conference. I was hoping we would have that conference convened in September or October. I frankly just don't know what the recommendations will be and, more importantly, how long it will take the governing council to make a decision.

Senator INHOFE. I understand that, and if you'll recall in my opening round I commented that we were there when the unfortunate thing happened to the U.N. building, so things like that are going to change, and even if you were in a position to say when four, five, six, and seven will be completed, that will change. Since I feel you have been unfairly challenged on the plan, is there any final comment you'd like to make in terms of the plan?

Ambassador BREMER. Let me just make one point on the plan because Senators have been looking at it this morning and yesterday. The plan that was sent to the Hill on July 23 is obviously by definition already 2 months out of date, and those of you who visited Baghdad know that Baghdad time is different than normal time; 2 months is a lifetime. We review this plan formally once a month, and it gets updated. To answer your question, how are we doing against the metrics? We change our targets from time to time. We are in a very fluid environment. I use the term when I talk to the President that I call a lot of audibles. I get up to my staff meeting in the morning and I look over at the defense and say, "We're going off-tackle right today, not off-tackle left." But we keep the strategy the same. Those four areas are the heart of our plan, and we will execute to that plan.

Senator INHOFE. An excellent plan, thank you.

Chairman WARNER. Thank you, Senator.

Senator Reed.

Senator REED. Thank you, Mr. Chairman. General Abizaid, if there is a terrorist attack upon the United States, is it more likely to emanate from Baghdad and Iraq or along the Pakistan/Afghanistan border where bin Laden is hiding?

General ABIZAID. Senator, if there is another attack on the United States, it would be organized, planned, and executed through a worldwide network of connections that are borderless. It would be difficult to say where its geographic center would be. There are certainly places on the Afghanistan/Pakistan border that are semi-havens for terrorists, in the Wazinstan area, that the Pakistanis are working to clean up. There are other ungoverned spaces where this is also possible. It is possible that a terrorist group working in Baghdad, or New York for that matter, could organize the attack, so there is no geographic center that I would point to other than to say we have a lot of cells in a lot of locations that require careful, difficult work to uncover and destroy.

Senator REED. It seems the President has clearly identified Iraq as the center of the war on terror, and my point of the question obviously was I concur with your vision that this is an international phenomenon and, in fact, is less likely, I think, to emanate from Baghdad than it would to emanate from the Pakistani/Afghani border regions, if anywhere. There's a real concern here that underlies our overall strategy, not just what we're doing in Iraq, but whether these $87 billion for Iraq might be missing the point. Afghanistan is deteriorating. They now have a drug culture and a drug industry that is refueling the rearming of the Taliban, and they're reasserting themselves in that country and giving direct aid and comfort to the individual that attacked us. I commend the President for at least recognizing that the Saddam Hussein regime was not involved in the September 11 attacks. I think there are some strategic issues here as well as just the dollars. Thank you, General, for your answers, always very well-composed and very thoughtful.

Mr. Ambassador, one final question. I understand from press reports that the U.N. staff is advising Secretary Kofi Annan to withdraw his presence or the presence of the U.N. from Baghdad. What do you propose to do to try to prevent that if you can?

Ambassador BREMER. I've seen those press reports. I don't know whether they're accurate or not. I would find it deeply regrettable if the U.N. chose to draw down the rest of its staff there. They've been extremely helpful to us in the period since the war. We've had a dozen U.N. specialized agencies who have been very actively supporting reconstruction, humanitarian assistance, and so forth. I worked very closely with the Secretary General's Special Representative, who was killed in the bombing, and I certainly hope the U.N. will continue to be present in Iraq and I would regret it if they left.

Senator REED. Thank you.

Chairman WARNER. Thank you, Senator.

Senator Roberts.

Senator ROBERTS. General, I believe you said, after your last visit to Washington, words to the effect that after being in the U.S. a week and a half and listening to news reports on the conditions in Iraq, it was as if you would be going back to Iraq to "find someone to surrender to." What part of the Iraq picture do you worry the public is still not getting?

Ambassador BREMER. Sir, it's difficult to get the story here because we concentrate on every bad incident and we don't seem to get through the wonderful work that is being done, not only by the folks in the military, but also at the CPA. For every one combat operation, there's probably 50 civic actions that are absolutely amazing in their organization and the good that they do, in the capability that they provide a better life for the Iraqis.

So it's difficult for us to get the word out. We put out press releases that talk about the good work we do, but the nature of life in the States is to concentrate on the bad as opposed to the good. This cynicism does not help the troops.

Senator ROBERTS. You mean that's not in The New York Times and The Washington Post? I can't understand that.

Ambassador BREMER. Sir, I'm an optimist and I know what our troops are doing, and everybody around this table and in this conference room here knows what our troops are doing. We need to be optimistic for them and for the Iraqi people. There are tough times ahead, and I don't want to ever mislead the committee that the war is necessarily over anytime soon. There will be more casualties. There will be more expenditure of treasure, but ultimately we will win. We will win because we can persevere in our very difficult tasks.

Senator ROBERTS. Mr. Ambassador, in the very short time I have left, I'd like for you to connect the dots. That's the euphemism we use in the intelligence community. We have an inquiry on regional stability, human rights, terrorist sanctuary, WMD, historical precedent, resolve to stay the course. You're both with me at a town hall meeting in Dodge City, Kansas, and some old cowboy stands up and says, "Now, General and Mr. Ambassador, what the hell has this got to do with me? How does this affect my daily life and pocketbook?" I know who would ask the question. I'd say, "Now, Kirby, just control your temper here a minute. Basically, if we allow the sanctuary to continue and the global war on terrorism continues, somebody may kill you." He might understand that. Now, would you connect that final dot as to what that means to the individual

person in Nebraska, Minnesota, Alabama, or wherever? What does it mean to them?

General ABIZAID. Sir, I'll just tell you what all of our soldiers tell me when I talk to them. Fight them here or fight them at home.

Senator ROBERTS. Thank you.

Chairman WARNER. Thank you very much. Senator Sessions, will you wrap it up?

Senator SESSIONS. Thank you, Mr. Chairman. There have been some comments from this Congress, which I am very dubious about, that we need to have the U.N. more involved and maybe even taking a lead in this. I'm convinced that if we want it to take longer, to be less efficient, to be done with more corruption and at greater expense, we should turn it over to the U.N., but I was in fact particularly distressed that the U.N.—I'm looking at this little item here—Jan Egeland told 10 or 9 permanent Security Council members in a closed-door meeting today that they didn't foresee coming back in significant numbers. Now, what that says to me is it's another example of why, in a matter of this seriousness in which the United States has made such a significant commitment and is so important to the future of the world and to the United States foreign policy, if the U.N. is going to leave after one attack, it would be unwise for us to put our confidence and faith in them. Ambassador Bremer, would you comment on that?

Ambassador BREMER. Let me first say, as the President has said not only Tuesday, but before, we think the U.N. can play a vital role in Iraq, and I for one certainly welcome it. I've already, in answer to Senator Reed's question, pointed out how useful I think they can be, but it is true that there's something of a contradiction behind the people who are anxious for the U.N. to play a leading role and the U.N.'s apparent decision—we don't know if it is a decision—to draw their people out of Iraq.

The people of Iraq are still going to need electricity. They're still going to need security. They're still going to need water. They're still going to need sewage in the next 2 to 3 months. They need it now. If the U.N. is going to spend some time out of the country thinking about whether they can go back, then that's time that's lost. That's more dangerous for our soldiers. It's a time when we are losing time getting Iraq reconstructed.

Senator SESSIONS. I couldn't agree more, and thank you.

There's a question about the commitment of the people of Iraq. I met the police chief there, who was personally leading raids and who had been shot in the leg the week before. An attempt was made on his life not long after I got back there. You lost the female cabinet member. The people that are leading your city councils, police, are each one of them expressing courage and commitment to a new Iraq every day they go to work.

Ambassador BREMER. That's right. The fires of freedom have been lit, to use Winston Churchill's quote.

Senator SESSIONS. They are at risk, just as American soldiers are.

Ambassador BREMER. Yes, they are. They're a courageous group of people, like the woman who was killed last week.

Senator SESSIONS. General Abizaid, I asked you when we were there about more up-armored Humvees for our personnel. I think

some steps have been taken to improve that situation to give them more protection as they do their patrolling and also the Stryker vehicle. Can you assure us that we are making progress with getting better armament for those troops and guardsmen that are there?

General ABIZAID. Sir, we are making progress on individual protection. For example, the protective vests: By November, every soldier in the theater will have the newest and latest version of that. We're making progress on the number of Humvees, although that will take longer to fix with regard to the up-armored Humvees, but they are coming in at a rate that's probably 100 or 200 vehicles a month. As far as the Stryker is concerned, I am looking forward to the arrival of the Stryker. I know the Army has looked at some difficulty with certain parts of the armor and I am confident when the Stryker arrives that it'll be a great addition to the battlefield.

Senator SESSIONS. Provide more safety for the soldiers?

General ABIZAID. Absolutely.

Senator SESSIONS. Thank you, Mr. Chairman.

Chairman WARNER. When you referred to vests, it's the flak vests, and you've addressed that problem, and I'm delighted that you have. Thank you.

Senator Levin, I thank you and your colleagues. I thank my colleagues.

Senator LEVIN. Just a request, if we could, of Ambassador Bremer. Could you send us the August update of that July 21 or 23 plan? You say that you update it, or modify it, monthly. Could you send us the August update, plus can you send us each monthly update as you adopt them?

Ambassador BREMER. Senator, many, not only in this committee, but other committees, have asked for more visibility. Let me make it a more general commitment to keep you informed. We may want to change the format. Actually, the August one, of course, is out-of-date. We've just completed the September one——

Senator LEVIN. I think we'd like to see it.

Ambassador BREMER.—and we will have a major review of the quarter starting next week. I will keep you informed, but I want to reserve some latitude on how I do that.

[The information referred to follows:]

Strategy for a Secure, Peaceful and Sovereign Iraq

Success in Iraq is in America's interest.

America is more secure today because a coalition of nations ended a regime that cultivated ties to terror while it possessed and used weapons of mass destruction. Now, we and our international partners must finish the job. The sooner a stable society and representative government takes root in Iraq, the sooner it will cease to be a haven for terrorism - and the safer America and the world will be.

We have a strategy for success in Iraq. In recent months, we have made steady progress toward our objectives. Security is improving. Essential services are being restored. A thoroughgoing political transformation is underway. And we are reaching out to expand international participation in re-building Iraq.

America must now continue to build on this progress. We cannot afford to fail. If freedom and progress falter in Iraq, terrorists will be emboldened in the Middle East, and elsewhere, threatening innocent lives in America and around the world. With success, a free Iraq will send a clear message to the people of the Middle East and beyond – that freedom and democracy, not violence and terrorism, are the best paths for the future.

The President's budget request will provide the resources necessary to help ensure stability, peace, and democracy in Iraq. This will create a safer environment for our troops in Iraq, and a safer world for our children and grandchildren.

L. Paul Bremer III, Administrator
Coalition Provisional Authority

Strategy for a Secure, Peaceful and Sovereign Iraq

October 2003

Goal:

President Bush and the Coalition Provisional Authority (CPA) have one overall goal for Iraq: to establish a secure, peaceful, and democratic Iraq that will stand against terrorism and no longer threaten America, the region, or the world.

Strategy:

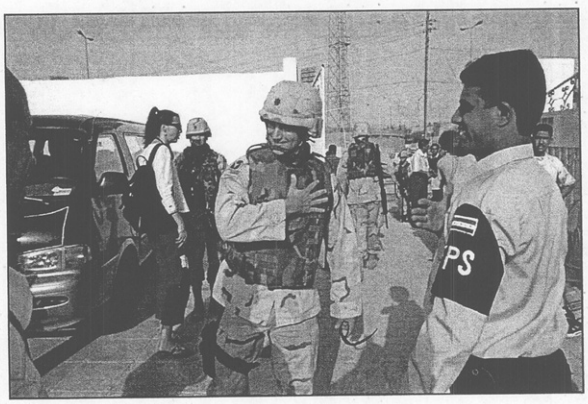
The President and CPA are implementing a three-pronged strategy for achieving this goal:

1) **Establish a secure environment by taking direct action against terrorists and those attempting to undermine progress, and by restoring urgent and essential services to the country**

2) **Expand international cooperation in the security and reconstruction of Iraq**

3) **Accelerate the orderly transition to self-government by the Iraqi people**

Establish a Secure Environment



Take Direct Action Against the Terrorists

Iraq is the central front in the war on terror.

Remnants of Saddam Hussein's regime and terrorists from foreign countries are making a desperate stand in Iraq. Coalition forces are confronting them on the streets of Baghdad so we will not have to meet them one day on the streets of Brooklyn.

- Coalition forces have conducted hundreds of raids and thousands of patrols, seizing caches of enemy weapons and massive amounts of ammunition that can no longer be used against our troops or innocent civilians.
- To date, **43 of the 55** most wanted former Iraqi leaders are dead or in custody, as well as thousands of other Baath Party loyalists and terrorists.
- The Coalition has made sure that Saddam Hussein will never again use weapons of mass destruction. To reveal the full extent of the weapons program, the Iraq Survey Group (ISG) is interviewing Iraqi citizens, examining physical evidence, and analyzing records of the old regime. ISG's recent progress report states: "We have discovered dozens of WMD-related program activities and significant amounts of equipment that Iraq concealed from the United Nations during the inspections that began in late 2002."
- President Bush requested $87 billion in emergency funds to fight the War on Terror in Iraq and Afghanistan. The vast majority of those funds ($66 billion) will give our troops the resources necessary to succeed in the war on terror and protect them from terrorist attacks. The funds for restoration of essential services and rebuilding in Iraq ($20.3 billion) will go toward establishing a more stable and secure environment for the Iraqi people and our troops.
- Included in the request for ongoing military operations is funding for armored Humvees to better protect our forces, life-saving body armor, equipment, weapons, ammunition, better housing for the troops, and enhanced pay to reflect the dangers and the hardships they face.

Build An Iraqi Security Force

Iraqis are eager to participate in their own security, and commanders in Iraq report that they are exceeding recruitment goals for these forces.

The Coalition is taking steps to create a professional Iraqi army, build an effective Iraqi police force, develop Iraqi security and border patrol forces, and build a fair Iraqi system of justice. This will help relieve the burden on coalition forces, free them up for further raids against the enemies of peace and progress, and accelerate the transfer of power to the Iraqi people.

More than 70,000 Iraqis have been armed and trained in just a few months and are already contributing to the security of their country. The President has requested $5 billion to help Iraqis assume increasing responsibility for the security of their own country.

Coalition forces and Iraqi police are already conducting joint patrols - as many as 1,700 on a single night.

A professional Iraqi army is being created to replace Saddam's army – an instrument of terror and aggression – with a professional force for maintaining peace and stability.

- The New Iraqi Army's first battalion of **some 700** soldiers graduated on October 4, 2003.
- The goal is to expand these forces to 9 brigades with about **40,000** troops by the end of 2004.
- Units will reflect Iraq's religious, regional, and ethnic mix, be non-political, under law-based civilian control, and a force for defense and security—not aggression and oppression.

An effective Iraqi police force will take the burden off Coalition forces and create the necessary order for a stable society.

- **Over 50,000** Iraqi police officers are currently on duty. The goal is to reach **around 70,000** by 2005.
- 40 of 69 cities are above 50% in number of police required, but shortages of equipment, vehicles, and weapons continue.
- International police trainers will provide support and on-the-job training.
- A police recruit training center will begin operations in November, 2003 with 500 trainees. A new class of 1500 cadets will begin every four weeks.

Iraqi border patrol forces will relieve—and eventually replace—Coalition forces at checkpoints where foreign terrorists are coming across borders to attack our troops.

- **Over 5,000** Iraqi border police are now at work.
- The goal is to expand the number of border police and customs personnel to more than **20,000.**

The Facilities Protection Service now has about 20,000 officers, and the goal is to expand in 2004. These officers will take over security from Coalition forces at fixed site locations, such as power lines, which have become key targets for sabotage.

The Iraqi Civil Defense Corps is some 6,600 strong, and the goal is to expand to more than 15,000 in 2004. These are Iraqi citizens who remain in their communities and are integrated into Coalition military units, providing much needed local intelligence to Coalition forces, while receiving on the job training in security patrolling.

Create a fair Iraqi justice system to instill confidence in the rule of law after years of corrupt Baathist party rule.

A place of torture chambers and mass graves is becoming a nation of laws.

- In September 2003, the new Iraqi Minister of Justice established an independent judiciary.
- Judges and prosecutors are being vetted and provided with rule of law training.
- A Central Criminal Court has been established to handle the most serious criminal cases. The Governing Council is considering the formation of a special tribunal to review crimes committed by the previous regime.
- 130 courthouses are being renovated.
- The decrepit prison system is being rebuilt and modernized in accordance with international standards, and new prisons are planned.
- The goal is to complete two new maximum security 4,000 capacity prisons within 48 months.

Restore Urgent and Essential Services

As essential services are restored and the daily lives of Iraqis improve, security will improve.

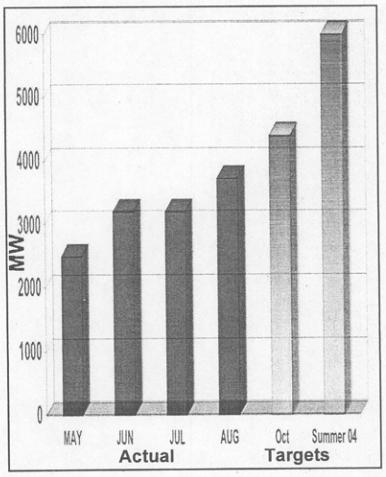
Decades of mismanagement and neglect by Saddam Hussein's regime, coupled with the effects of war, have left the Iraqi people without essential services at acceptable levels. Restoring and improving these basic services helps prevent unrest and keeps Iraq from becoming another breeding ground for terrorism.

The President has requested $15 billion to speed repairs to Iraq's dilapidated infrastructure, and help the Iraqi people with the most basic of human needs.

The Coalition has completed over 13,000 reconstruction projects, large and small.

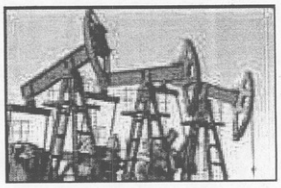
Electricity:

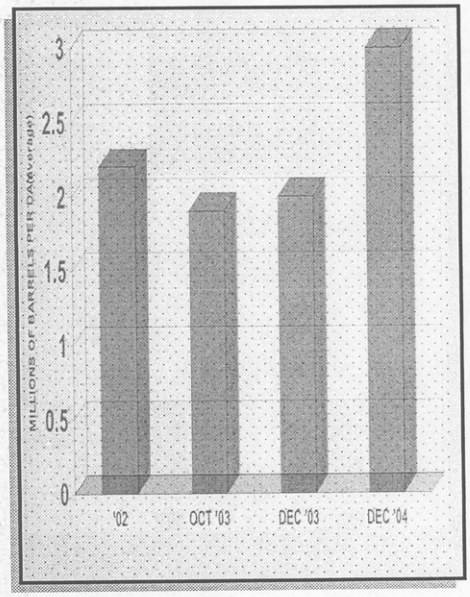
- We have achieved the initial goal of surpassing pre-war peak output levels of 4,400 MW by Fall 2003.
- The next goal is to build to 6,000 MW by summer 2004.



Oil Production:

Decades of poor maintenance coupled with looting and sabotage have crippled Iraq's oil industry. Repairing and securing Iraq's oil infrastructure will raise oil production and help establish an oil industry that is essential to Iraq's long-term economic development, making it less dependent on foreign assistance.





- Oil output is averaging 1.9 million barrels per day. The pre-war production capacity was 3 million barrels per day (though average production in 2002 was only 2.2 million barrels per day).
- The goal is to reach 2 million barrels per day by December 2003, and a sustainable production level of 3 million barrels per day by the end of 2004.
- Iraq will receive approximately $2.7 billion in oil revenue in 2003. With improvements to the infrastructure, Iraqi oil revenues should grow to about $12 billion in 2004, and should reach roughly $18.5 billion by 2005.

Water and Sanitation:

Under Saddam Hussein's regime, water shortages and poor sanitation were constant problems for the people of Iraq. Remedying them is critical to supporting economic recovery and preventing disease.

- 2,000 repairs have been made to 143 water networks in Iraq.
- Access to water and sewer services have been restored to at least pre-war levels. Today, more Iraqis have access to clean water than before the war, but that is only 60% of the population.
- The goal is to provide potable water to 90 percent of the people.

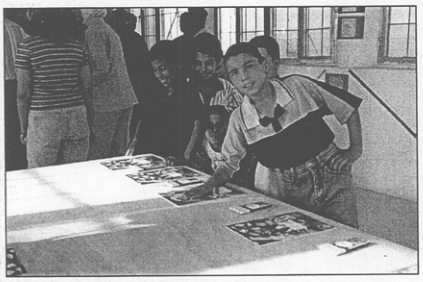
Transportation:

The Ministry of Transportation is working to establish a transportation network for efficient movement of essential products such as fuel, wheat, water, construction materials and equipment, and other supplies which drive Iraq's economy.

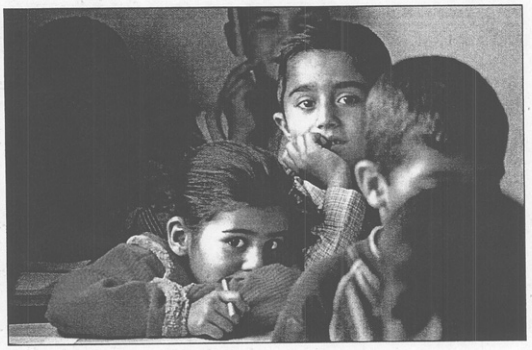
- Baghdad and Basra airports are again operational, now receiving Coalition and non-commercial charter flights.
- The Umm Qasr sea port has been re-opened to commercial traffic, with 50,000-ton cargo ships able to load and off-load.
- Despite lack of past maintenance, trains are running daily across Iraq, and major track improvement projects are underway.

Education:

Under Saddam Hussein, children were forced to learn regime propaganda and taught to hate enemies of the regime—including America. We are working with Iraqis to reform and improve the nation's education system. Education will help the Iraqi people acquire the skills to develop their economy and reform their society.



- Virtually all universities have been re-opened, and hundreds of secondary schools—some of which were used to store weapons before the war —have been re-opened.
- By the time school opened in October, more than 1,500 schools had been refurbished with the help of 36,000 Iraqi workers.
- Reprinted textbooks that do not contain pro-Saddam propaganda are being provided.
- Training has started that connects Iraqi teachers with effective teaching methods aimed at providing students with solid academic knowledge, understanding, reasoning skills, and familiarity with rights and responsibilities.



Health:

Under Saddam, one in eight Iraqi children died before the age of five and infant mortality was among the highest in the Arab world. Quality healthcare was reserved for Baath party officials and others connected to the regime. During the 1990's, Saddam cut spending on public health by over 90%. Today, working closely with the Iraqi Health Ministry and other Iraqi medical professionals, the Coalition is restoring and expanding basic health care services.

- All of Iraq's 240 hospitals have been re-opened, and 95% of Iraq's health clinics are open and accepting patients.
- More than 22 million doses of vaccines have been delivered to support vaccinating 4.2 million children and 700,000 pregnant women. By the end of 2004, more than 90 percent of Iraqi children under age five will have been immunized against preventable diseases such as polio, tuberculosis, and measles. There are no signs of epidemics.
- The Coalition delivered more than 12,000 tons of pharmaceuticals and medical supplies in the last 120 days.
- Next year, the goal is to provide backup power systems to every Ministry of Health hospital in Iraq, provide medical-grade oxygen to all hospitals, and establish a healthcare facility replacement program.

A New Economy

A modern market-based economy will help Iraqis generate the income to rebuild their country.

Under Saddam Hussein, Iraq's economy suffered from mismanagement and corruption, stultifying government controls, squeezing out of private business in favor of state-owned corporations and over-reliance on oil. A modern market-based economy, integrated into the global economy, will help the Iraqi people find jobs and assume more and more responsibility for their country's economic development.

- Today, 95% of all pre-war bank customers have service, and first-time customers are opening accounts daily.
- Thousands of small businesses have opened since the liberation.
- The exchange rate has stabilized within the past month.
- Old notes picturing Saddam Hussein will be exchanged for a new national currency beginning October 15, 2003.
- The 2003 budget is being successfully implemented, and the 2004 budget has been approved by the Governing Council.
- The central bank is fully independent and up and operating, and the commercial banking system is being resuscitated under modern banking norms and standards.
- Investments in electric power and oil will help increase future economic output.

A New Economy

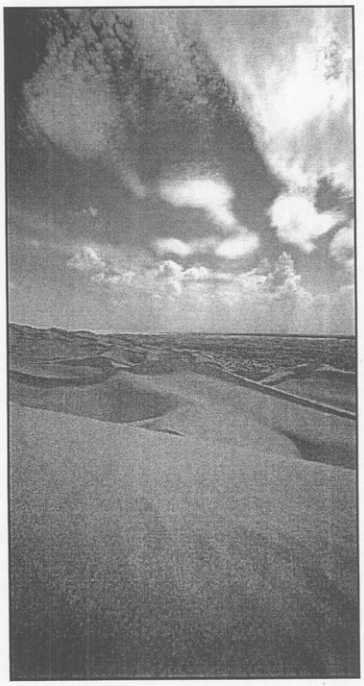
The Governing Council of Iraq recently announced a package of substantial economic reforms. These reforms will enable Iraq to have some of the most enlightened and inviting tax investment laws in the free world. Among the reforms are:

- A law on foreign direct investment that allows up to **100% foreign ownership** in every sector other than natural resources.
- A new commercial banking law that will permit the entry of six foreign banks within the next five years, and an unlimited number of foreign banks to purchase up to 50% of local banks.
- Business taxes are capped at **15%.**
- A customs tariff on most goods capped at **5%.**

To empower Iraqis and assist the transition to a market-based economy, the Coalition is:

- Collecting funds from frozen and hidden accounts of the former regime
- Establishing micro credit programs and enterprise funds to support new businesses
- Setting up job training and vocational programs
- Creating a new Trade Bank of Iraq to provide trade-related financial services

Expand International Cooperation



A free and stable Iraq is in the world's interest.

Expand International Cooperation

Terrorists in Iraq have attacked representatives of the civilized world, and opposing them must be the cause of the civilized world. The stakes in Iraq are high, for the Middle East and beyond. If freedom and progress falter in the Middle East, the region will continue to export violence that takes lives in America and around the world.

International support and cooperation has been essential to the progress being made in Iraq to date. Every effort is being made to expand that international co-operation.

- There are some **17** nations in the Coalition Provisional Authority.

- There are now **33** countries with troops in Iraq today. These include:

Albania	Hungary	Nicaragua
Australia	Italy	Norway
Azerbaijan	Kazakhstan	The Philippines
Bulgaria	Korea	Poland
The Czech Republic	Latvia	Portugal (soon to deploy)
Denmark	Lithuania	Romania
The Dominican Republic	Macedonia	Slovakia
El Salvador	Moldova	Spain
Estonia	Mongolia	Thailand
Georgia	The Netherlands	Ukraine
Honduras	New Zealand	The United Kingdom

- **11 of the 19 NATO nations** have already committed troops to Iraq.

- The U.S. is currently in discussions with 14 other countries that have expressed interest in sending forces.

- Since May 2002, Coalition forces other than the United States have increased from 14,000 to **23,700**. U.S. troop levels have fallen by **12,000**.

- The British and the Poles are leading two multinational divisions. The Polish Multinational Division in Babylon, which took over from the Marines, includes troops from 17 nations, with four more nations providing civil support.

- Already, some **60 countries have made pledges or contributions totaling $1.5 billion**—and there are discussions with others who have expressed an interest. A major international donor conference is scheduled for October.

Expand International Cooperation

Since July, the Iraqi government has been represented in over two dozen international meetings, including those of the UN General Assembly, the Arab League, the World Bank and IMF, and the Islamic Conference Summit. Over 30 Iraqi embassies are re-opening around the world.

The United Nations can play a vital role in Iraq, and contribute greatly to the cause of full Iraqi sovereignty.

- We believe the UN can, for example, help to facilitate the constitutional process, the training of civil servants, and the holding of free and fair elections. Many UN members—from the Philippines to Poland and Germany—have expressed their commitment to help build a democratic and stable Iraq.

- The UN is already carrying out vital and effective work in Iraq. By the end of 2004, UNICEF will help immunize more than 90 percent of Iraqi children.

- The World Food Program is helping to deliver nearly a half million tons of food per month in Iraq.

Restoring Full Sovereignty to the Iraqi People

Day to day operation of the Iraqi government is now in the hands of Iraqis.

For decades, the only government in Iraq was the brutal dictatorship of Saddam Hussein. Iraq's constitution has been a Hussein-dictated formula for tyranny. To move towards the goal of restoring full sovereignty to the Iraqi people, there must be an orderly and democratic process, and this process must unfold according to the needs of the Iraqi people.

Before free elections can be held, Iraq needs a new constitution, and it must be written by the Iraqi people. At present, there are no election rolls, no election law, and no electoral districts. Electing a government without a permanent constitution defining and limiting government powers invites confusion and eventual abuse.

Decades of dictatorship have shattered Iraq's society, but Iraq's liberated population, with the help of the Coalition, is taking major steps toward democracy.

Representative Government at the Local Level:

The majority of towns and cities in Iraq have functioning local governments.

In each of Baghdad's 88 neighborhoods, citizens have freely selected representatives for local governing councils. They, in turn, choose members of 9 District Councils and a 37-member City Council. All told, over 800 democratically selected Council Members are now hard at work serving their fellow citizens. They include Sunnis, Shias, Christians, Arabs and Kurds—and more than 75 women.

Seven Steps to Full Iraqi Sovereignty:

1) In July, a 25-member Iraqi Governing Council, broadly representative of Iraqi society was constituted. These brave men and women came forward willingly to help build a new Iraq. The assassination of Dr. Aquila Hashimi underscored how much former regime loyalists fear democracy.

2) In August, the Governing Council named a preparatory committee to determine how to write the constitution.

3) On September 1, the Governing Council announced the appointment of 25 cabinet ministers to run the day-to-day affairs of Iraq. This was an important step because now every Iraqi ministry is run by an Iraqi. These ministers conduct the business of government. They set policy.

4) On September 30, the preparatory committee produced a report for the Governing Council making recommendations on a process for writing a constitution.

5) Once written, the constitution will need to be ratified. It will be widely circulated, discussed, and debated among the Iraqi people, and all adult Iraqis will have the opportunity to vote for or against it. For the first time in history, Iraq will have a permanent constitution written by and approved by the people.

6) After the constitution is ratified by popular vote, there will be an open election to fill the elective offices specified in the constitution.

7) Once Iraq has a freely elected government, the CPA will yield the remainder of its authority to the sovereign Iraqi government.

Respect for Human Rights and Justice:

The liberation of Iraq put an end to Saddam Hussein's torture chambers, rape rooms, prison cells for children, and mass graves. No longer will he threaten his own people or the world with weapons of mass destruction. Now a society once gripped by fear is learning to respect human rights and justice.

- A Human Rights Ministry was established on September 1, 2003.
- Human rights are being promoted through civic education.
- A human rights archive is being developed, and the Coalition is assisting in the investigation of mass graves.
- The Ministry of Justice recently reappointed eight Supreme Court Justices who had been removed from the Court for failing to enforce Saddam's notion of justice.
- Today, nearly all of Iraq's **400 courts** are open and hearing cases, and every day progress is being made to develop a judiciary rooted in the principles of human rights and due process.

Freedom of Speech:

A free press is flourishing in Iraq and is daily demonstrating to the Iraqi people the importance of their new freedoms.

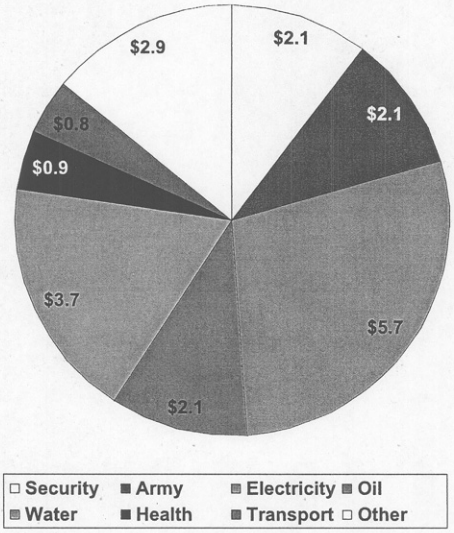
This burgeoning free press will help ensure the success of a freely elected representative government in Iraq and will serve as a model to the rest of the Arab world.

- Today, there are **over 170** newspapers being published and sold at hundreds of news kiosks around Baghdad.
- Radio and TV stations are proliferating throughout the country.
- The Governing Council holds regular press events, and the new Iraqi ministers are instituting regular press conferences.

President's Budget Request To Rebuild Iraq

$2.1B Borders, Police, Fire, and Customs
$2.1B New Iraqi Army and the Iraqi Civil Defense Corps
$0.9B Justice and Civil Society
$5.7B Electricity
$2.1B Oil
$3.7B Water and Sewerage
$0.9B Water Conservation
$0.8B Transportation and Telecommunications
$0.5B Housing, Buildings, Roads, and Bridges
$0.9B Hospitals and Clinics
$0.3B Private sector initiatives and jobs training
$0.3B Refugees, Human Rights, and Civil Society

Total: $20.3 B



The President's budget request to rebuild Iraq will provide the resources necessary to ensure Iraq's stability and to give its people the economic and political infrastructure needed to transform Iraq into an example of progress and democracy.

All of the proposals in the budget request will help fulfill these crucial needs:

- **Provide the Iraqi people with the tools to take over their own security**
- **Establish basic living standards—that did not exist under Saddam Hussein—so terrorists and extremists cannot capitalize on poverty and despair**
- **Create an environment for private investment so Iraq can be set on a path to economic independence, and not be dependent on outside assistance**

By approving the President's budget request, Congress and the American people will be making an investment that will improve the safety of our troops, bring them home sooner, strengthen our nation's security, and hasten the day when the Iraqi people will assume full responsibility for their country's future.

Senator LEVIN. I think it is important that since the August and apparently September modifications have been made, that we get copies of those.

Ambassador BREMER. I will keep you informed, but I'm going to keep my hands free as to how I do that.

Senator LEVIN. There's no reason that I can imagine why this Senate should not get a copy of your August and September modifications just the way you——

Ambassador BREMER. Maybe you will, sir. I just want to go back and——

Senator LEVIN. Not a maybe. No, no, not maybe. I can't think of a reason why—if it's classified, send it to us in classified form. But there's no reason why we're not entitled to that.

Ambassador BREMER. I will keep you informed, sir.

Senator LEVIN. I'm sorry, Mr. Chairman, on that one, but that's not good enough. Are you asserting some kind of a privilege in sending us that?

Ambassador BREMER. I'm not, Senator. I just want to go back——

Senator LEVIN. There is no reason why we're not entitled to a document which you have prepared.

Ambassador BREMER. Senator, I just remind you that within a week, which is the time frame in which I can send you anything, I will have the first quarter reviewed, and that is more useful than going back to August, which is out-of-date. Even the September one is out-of-date now. The next one will be——

Senator LEVIN. You've sent us the July one. We finally got that a few weeks ago.

Ambassador BREMER. No, Senator. Let's not go over that again.

Senator LEVIN. This is not a matter of argument. This is a matter of whether we are entitled to those documents.

Ambassador BREMER. You are entitled to be kept informed about our planning and our progress, and I will commit to do that.

Senator LEVIN. I'm sorry, Ambassador. We are entitled to those documents. I thought that was a routine question. I did not intend that that was anything other than a routine question. Now it's no longer a routine question. We are being asked to spend $20 billion of American taxpayers' money. You said you had a plan. You pointed to the July document, which most of us never got until a few days ago.

If there were modifications, which you said there were, in that plan in August and you said recently in September, this Senate is entitled to those documents. Now if you want to get some legal advice on that question, you can get it, but you can't just say you're going to keep us informed. That is not good enough. I don't think anyone on this committee, Democrat or Republican, is going to accept that from any member of the executive branch.

Now, I would suggest you get advice on that before you stick to that position.

Chairman WARNER. Senator, we will, and I will join you in trying to reconcile what appears to be some difference, which I'm not sure what it is, and we'll give you adequate——

Ambassador BREMER. We can resolve it.

Chairman WARNER. We can resolve it. I wish to have this hearing concluded on what I perceive has been a very thorough, in-depth and tempered exchange of viewpoints. That's what the American public expects from Congress, working with the executive branch, particularly when it relates to matters of our national security and the life and the limb of our brave soldiers and their families here at home. I think I can speak for this committee that each of you are discharging your duties as public servants, consistent with the finest traditions of our country. Thank you.

Senator LEVIN. Mr. Chairman, there's a markup on Monday. I think we're entitled to those documents before that markup in the Appropriations Committee and I think we need a formal answer from the administration on that issue by tomorrow.

Chairman WARNER. We are adjourned.

[Questions for the record with answers supplied follow:]

QUESTIONS SUBMITTED BY SENATOR JEFF SESSIONS

IRAQI OIL CONTRACTS

1. Senator SESSIONS. Ambassador Bremer, the State Oil Marketing Organization (SOMO) in Iraq has begun the process of trying to restart oil exports. I am told that SOMO has been dealing almost exclusively with oil companies with whom they dealt prior to the war. To the best of your knowledge, can American companies who did not deal with the Saddam regime participate in future contract bidding?

Ambassador BREMER. Contrary to the latter years of the Saddam regime, American companies are not barred from bidding for and purchasing Iraqi crude oil. In fact, large buyers of Iraqi crude oil include Exxon-Mobil, Marathon Oil, Koch, and Chevron/Texaco, and the United States has received the majority of the exported Iraqi crude oil. As of the beginning of October 2003, 53 million barrels of crude oil (66 percent of the total) left free Iraq, destined for the United States.

2. Senator SESSIONS. Ambassador Bremer, if SOMO is accepting bids from American companies, are you aware of a procedure through which an American company can request a meeting with SOMO officials, and, if so, could you outline that procedure?

Ambassador BREMER. Any American company wishing to do business with SOMO may contact them directly via fax at 00873 763 705020 or via email at SOMO@uruklink.net. SOMO's contact information has been in industry press since June. Correspondence should be directed to the Director General.

3. Senator SESSIONS. Ambassador Bremer, I have been told that it was common practice during the Saddam era for SOMO to add special "surcharges" to the price of oil sold under the U.N. oil-for-food program. I am also told that these funds were effectively skimmed off the top by SOMO and placed in secret bank accounts for the exclusive use of the Iraqi Government in a manner totally outside U.N. supervision. Are you aware of any steps by SOMO to put an end to this practice?

Ambassador BREMER. SOMO specifically targets clientele that are highly reputable, world-class oil companies. This policy is designed to restore SOMO's reputation as a leading oil export organization, but this also helps to prevent improprieties in the crude oil transactions.

The standard procedure for crude oil sales is designed to prevent improprieties. Iraqi crude oil is sold on the basis of official selling prices announced during the beginning of the month preceding month of loading. Buyers submit letters of credit to the New York branch of the Federal Reserve Bank. Payment is made within 30 days after loading. The CPA monitors the quantity of oil exported, its price, SOMO's clientele, and deposits into the Development Fund for Iraq.

As for secret accounts, the entire Iraqi banking system collapsed with the fall of the Saddam regime; therefore, accounts internal to Iraq no longer exist. Accounts external to Iraq are being identified, and we are working to return the assets they contain to the people of Iraq. SOMO employees have been and continue to be of great assistance in locating and returning these assets to the people of Iraq.

QUESTION SUBMITTED BY SENATOR SUSAN M. COLLINS

RESERVISTS

4. Senator COLLINS. General Abizaid, last Saturday I had the opportunity to meet with some of the family members of reservists serving in the 94th Military Police Company. They expressed to me their disappointment that their loved ones will be in Iraq longer than expected and their frustration over the poor communication about rotation schedules. Previously, these reservists were led to believe that their entire activation would only be for a year, which includes training and travel. Earlier this week, I learned that the husband of one of the women I met with was wounded in an ambush in Iraq. Sergeant Curtis Mills sustained a compound arm fracture and took shrapnel in his back. We need to continue to have a significant

military presence in Iraq, and I believe that most of our reservists also understand that. However, I am concerned that the demand on our Reserve and Guard members is approaching the commitment that we expect of our regular troops. How long do you anticipate we will need to sustain the current troop levels in Iraq?

General ABIZAID. The number of U.S. troops required in Iraq depends mainly on three factors: the level of enemy activity, our ability to build Iraqi security capacity, and the number of international troops who join us. While we must be prepared for a range of contingencies, it seems likely that we will be able to reduce the numbers of U.S. troops and numbers of reservists deployed in the coming year. The increasing size and effectiveness of Iraqi security forces is particularly promising in that connection.

We greatly appreciate the distinguished service of our reservists. The inherent uncertainties of war led to a change in policy that committed reservists to 1 year in theater rather than 1 year of activation. Because we recognize the strain that the mission is placing on reservists in particular, we are determined to first ensure that every reservist understands his or her return date. We are also doing everything possible to reduce the numbers of Reserve units deployed after force rotation. We are, for example, contracting out many of our transportation requirements. Additionally, our servicemen and women now have the opportunity to participate in mid-tour leave and rest-and-relaxation programs.

I share your admiration for the selfless service of Sergeant Curtis Mills and all our reservists. I, along with the Department of the Army and the Department of Defense, am committed to doing all we can to lessen the burden on these great Americans who are contributing immeasurably to the important mission in Iraq.

QUESTIONS SUBMITTED BY SENATOR JOHN CORNYN

SOMO

5. Senator CORNYN. Ambassador Bremer, I believe it is in America's and Iraq's interests that all competitive oil refiners be allowed an opportunity to bid in the re-emerging Iraqi oil industry. Please explain how the CPA is working with Iraq's SOMO to ensure that SOMO follows an open, fair, and competitive process in soliciting and awarding these contracts.

Ambassador BREMER. The CPA has monitored SOMO's general business policies and practices, which are widely accepted within the petroleum industry. Its tenders were open and published in Reuters, Platts, Dow Jones, Argus, Bloomberg, and the Middle East Economic Survey (MEES). SOMO's medium-term contracts were by invitation; however, this is customary for many oil producers. The significant majority of these term contracts were awarded to large, well-known, reputable "end users" of crude oil (i.e., refiners), and the volume of each contract is based on the buyer's size and capacity. This fits SOMO policy, which is designed to minimize risk, to maximize Iraqi exports, and to restore Iraq's standing in the petroleum industry.

6. Senator CORNYN. Ambassador Bremer, what is your evaluation of the openness, competitiveness, and transparency with which SOMO has publicized and solicited bids on crude export tenders? How can this process be improved?

Ambassador BREMER. SOMO tenders were open and published in Reuters, Platts, Dow Jones, Argus, Bloomberg, and the MEES. SOMO's medium-term contracts were by invitation only, but the preponderance of these were awarded to large, well-known, reputable companies. SOMO is following practices widely accepted within the petroleum industry.

SOMO's practices and polices, which are reviewed and approved by CPA, are designed to minimize risk, to maximize Iraqi exports, and to restore Iraq's standing in the petroleum industry. SOMO, the Ministry of Oil, and CPA are always striving to improve SOMO's practices and processes. SOMO's operations are monitored. If improvement or more transparency is necessary, changes will be made; however, currently, no specific improvements have been identified or are pending.

MOBILE PHONE LICENSES

7. Senator CORNYN. Ambassador Bremer, as I understand, the CPA issued a tender in August for the issuance of three mobile phone licenses in Iraq. Please provide an update on the status on this tender. Will U.S. companies be evaluated for this award under the same selection criteria as other companies in the region?

Ambassador BREMER.

Status of Tender:

On 6 October, the Iraqi Ministry of Communications announced its selection of three consortia to provide initial wireless service in Iraq.

Evaluation Criteria:

After the submission of bids closed on August 21, a team of experts drawn from Iraq, the U.S., and the U.K. analyzed and compared proposals. A majority of that team was made up of Iraqis, and a panel consisting of two Iraqis and two officials of the CPA made the final recommendation. Proposals were received from some 35 companies that submitted a total of over 100 bids for the 3 licenses that had been offered. In line with best international practice, the bids were assessed against a list of criteria, including technical capability, management ability, and cost of use to the subscriber that had been prepared before the bids were received. The criteria were designed to ensure an objective and fair assessment of the merits and failings of each bid. It is this open and transparent process that has led to the selection of the three consortia.

QUESTIONS SUBMITTED BY SENATOR CARL LEVIN

CPA REQUEST TO REHABILITATE AND RECONSTRUCT IRAQ

8. Senator LEVIN. Ambassador Bremer, describe the process of developing the CPA Request to Rehabilitate and Reconstruct Iraq for the fiscal year 2004 supplemental request. Who drafted the plan?

Ambassador BREMER. CPA drafted the plan in consultation and collaboration with the Iraqi ministries. The plan was further coordinated within CPA, OSD, and OMB.

9. Senator LEVIN. Ambassaor Bremer, what input, if any, did you receive from private companies or individuals working for private companies in deriving the estimates for the cost of the various items described in the plan?

Ambassador BREMER. We did not solicit any input from private companies or individuals. We believe that private involvement in the crafting of this request would have been inappropriate and have unfairly advantaged any company with firsthand knowledge of the plan.

10. Senator LEVIN. Ambassador Bremer, did personnel from the U.S. Agency for International Development (USAID) and/or others from the State Department participate in drafting recommendations and discussing priorities for funding and project development?

Ambassador BREMER. Yes, USAID and State Department representatives provided recommendations and identified their priorities prior to finalization of CPA's supplemental request.

11. Senator LEVIN. Ambassador Bremer, did you seek the input of World Bank or U.N. experts or officials in developing the programs and cost estimates?

Ambassador BREMER. The Iraqi Ministries, in determining their estimated requirements, considered all relevant sources of information including known World Bank estimates of need. However, because the supplemental request was an inherently governmental process, we do not believe it would have been appropriate to involve international organizations in the final review of our recommended programs and estimates.

12. Senator LEVIN. Ambassador Bremer, at a press briefing on Iraq in Dubai, United Arab Emirates, World Bank officials stated that they had been working on a needs assessment for Iraq since early July. They took a look at 14 different sectors, such as health, education, agriculture, water supply, sanitation, electricity, and so forth, starting with the 2004 budget. They also stated that they "would hope to have numbers in another 2 or 3 weeks time" in time for the Madrid conference at the end of October. They also mentioned that they needed to discuss their findings with the Iraqi authorities, which was an essential step in their process.

How were you able to come up with your assessment of Iraq's needs and to come up with a figure that would be required when the World Bank had not even completed its work—did you use a similar methodology to that used by the World Bank?

Ambassador BREMER. Our supplemental request focuses predominately on security and infrastructure needs. The World Bank did not assess security requirements although all recognize that reconstruction cannot proceed without a stable Iraq. Further, although the World Bank had not finalized its numbers at the time the supple-

mental request was being prepared, it was already apparent that our plan would only address a fraction of the total needs. We do not believe it would have been prudent to wait for their numbers when the lack of security and infrastructure was painfully obvious. The supplemental request makes a large down payment on those needs.

13. Senator LEVIN. Ambassador Bremer, did Iraq officials or senior experts participate in drafting the proposal?

Ambassador BREMER. Each ministry with direct requirements in the supplemental participated in drafting the proposal. The ministries include Iraqi officials and coalition personnel, many of whom are experts in their field.

14. Senator LEVIN. Ambassador Bremer, did the Iraqi Governing Council or members of the council have an opportunity to comment on the proposal, and, if so, how did you respond to any comments or recommendations from the council or from council members?

Ambassador BREMER. We did not coordinate the request with the Iraqi Governing Council, but they fully concur that this supplemental request is essential to the reconstruction and rehabilitation of Iraq.

15. Senator LEVIN. Ambassador Bremer, was there an opportunity for the Iraqi public and media to learn about the contents of the plan before you presented it to the U.S. Congress?

Ambassador BREMER. No. We believe presenting the plan to the Iraqi public and media prior to submission to the United States Congress would have been inappropriate. However, subsequent to the release in the United States, I discussed the plan in several of my weekly broadcasts to the Iraqi people. While explaining what the supplemental would do for Iraq, I cautioned that the decision was subject to approval from Congress . . . that in a democracy the leader cannot simply take funding from their citizens as Saddam did.

16. Senator LEVIN. Ambassador Bremer, what, if any, programs or components of programs were eliminated from the plan due to recommendations or comments from Iraqi officials or development experts?

Ambassador BREMER. The final decisions on what remained in the supplemental request were mine alone. No programs were eliminated based on comments from Iraqi officials or development experts.

BEYOND FISCAL YEAR 2004

17. Senator LEVIN. Ambassador Bremer, roughly $20 billion of the supplemental appropriations request is intended to cover the costs of Iraqis providing their own security ($5 billion) and reconstruction ($15 billion) through the end of fiscal year 2004. What additional work and at what cost do you estimate will be required beyond fiscal year 2004, and will that require an additional emergency supplemental request? If you do not have an estimate of the cost, do you have an estimate of the range of costs?

Ambassador BREMER. For 2003 and 2004, Iraq will have a transitional economy and will require substantial international assistance to regain economic prosperity. In addition to the supplemental, we will utilize international donations stemming from the Madrid Donors Conference as well as limited international investment to bridge the investment gap and stimulate the local economy. We do not expect to request further supplemental appropriations for reconstruction in Iraq.

AUTHORITY OVER FINANCIAL AND SECURITY AFFAIRS

18. Senator LEVIN. Ambassador Bremer, are there any plans to give the Iraqi Governing Council more authority over financial and security affairs? If not, why not?

Ambassador BREMER. The Iraq Governing Council's authority over security and financial matters is continually increasing. The most significant step was the recent appointment by the Iraq Governing Council of Interim Ministers in each Ministry. These ministers are responsible for the day-to-day operations of their ministries and are accountable to the Iraqi Governing Council. The 2004 Iraqi budget was developed in close consultation with the ministries and approved by the governing council. We anticipate the Minister of Finance will assume significant responsibilities for managing the development fund for Iraq within the framework of the national budget; that Iraqis nominated by the governing council will sit on the International Advi-

sory and Monitoring Board as observers; and that all ministries will be involved in administering international financial assistance. We are committed to transferring responsibility to the interim Iraqi administration in this area as quickly and efficiently as practicable. With respect to security, the Minster of Interior, who acts under the authority, direction and control of the governing council, is responsible for the reorganization of the Ministry of Interior. The governing council has formed a Joint Security Committee comprised of governing council and coalition representatives, who develop and coordinate security proposals.

OIL INFRASTRUCTURE CONTRACTS

19. Senator LEVIN. Ambassador Bremer, the administration's supplemental request includes $2.1 billion to rehabilitate Iraq's oil infrastructure. What steps will the administration take to ensure that all of this work is performed on a fully competitive basis, and that none is awarded on a sole-source basis to Halliburton or any other company?

Ambassador BREMER. Under an acquisition strategy approved in June 2003, the Army Corps of Engineers is conducting a full and open competition which will result in the award of two contracts for the repair and continuity of operations of the Iraqi oil infrastructure—one for the north and one for the south. The Army issued a Request for Proposals (DACA63–03–R–0021) on July 9, 2003. The Army is following formal source selection procedures applicable to major competitive procurements.

On October 29, 2003, the Corps of Engineers announced it has amended the solicitation to increase the maximum value of the two contracts. Award is expected to occur in 30 to 60 days to give offerors an opportunity to revise their proposals and allow the Corps to evaluate the revisions. We anticipate these awards in December.

MANAGEMENT OF RECONSTRUCTION EFFORT

20. Senator LEVIN. Ambassador Bremer, up until now, DOD has been responsible for the reconstruction of the Iraqi oil industry, while the Department of State has had responsibility for the balance of the reconstruction effort, including electricity, water, sewers, roads, schools, and ports. Under the supplemental request, reconstruction funds would be appropriated to the President, rather than to any specific agency, giving the administration complete flexibility to decide what agency will be responsible for executing the funds.

I understand that DOD has now hired Admiral Dave Nash to set up a Program Management Office (PMO) in Iraq and that you have directed Admiral Nash to put in place a capability to execute the entire $15 billion requested for the Iraqi reconstruction effort. Admiral Nash's office will have contractor employees working under the direction of DOD financial management officers and contracting officers.

Does this mean that DOD will now have responsibility for the entire reconstruction effort in Iraq?

Ambassador BREMER. As CPA Administrator, I have established the PMO headed by retired Rear Admiral David Nash, to oversee the implementation of the supplemental. The PMO will play the central role in supporting me as I identify, plan, and prioritize all of the reconstruction effort. This will be done in coordination with the Iraqi Ministries and Governing Council, as well as U.S. advisors, the Council for International Cooperation, International Donors, and the other organizations involved with the rebuilding of the infrastructure of Iraq. The management of the reconstruction effort, funded with U.S. appropriated funds, will be assigned to various U.S. Government agencies for execution, including Department of State, USAID, and others, based on their capability and capacity to execute. This overall process of oversight and management will enable the CPA to harmonize efforts to execute the supplemental. The PMO will consist of a blended staff made up of Government employees, particularly in finance and acquisition, and contracted staff. The responsibility for the reconstruction effort in Iraq remains under the direction of the Administrator, CPA.

21. Senator LEVIN. Ambassador Bremer, why was the decision made to exclude the Department of State and USAID from the central role that they have played up until now?

Ambassador BREMER. There has not been a decision to exclude the Department of State, USAID, or others from a central role in establishing a secure, peaceful, democratic Iraq. These agencies and others have played, and will continue to play, a critical role in the Iraq reconstruction effort. Given the magnitude of the effort, more than seven times the previous appropriation, what is needed is a process to

systematically coordinate the efforts of all the organizations to ensure that priority requirements are being addressed, funding is being applied to accomplish the President's strategy, and that there be transparency.

22. Senator LEVIN. Ambassador Bremer, how will you determine what part of the reconstruction effort should be conducted through Admiral Nash's PMO and what part should be conducted under the myriad of contracts already in place under the auspices of DOD, USAID, and other Federal agencies?

Ambassador BREMER. I have assigned managing the entire $18 billion reconstruction effort to the PMO headed by retired Admiral David Nash. The PMO will be in charge of planning and prioritizing all the reconstruction effort using information from many sources—Department of State, USAID, and others currently involved in the rebuilding efforts. All reconstruction work performed under the fiscal year 2004 supplemental appropriation for reconstruction will comply with the requirements set forth in the legislation for reporting, as well as full and open competition. The services of USAID, the Department of State, and other U.S. Government entities will be utilized wherever their capability and capacity allow.

IRAQI POLICE FORCE

23. Senator LEVIN. Ambassador Bremer, things have been rough for the Iraqi police. Recently, 10 policemen in Fallujah were killed in a firefight with U.S. forces, the Khaldiya chief of police was assassinated, and earlier in July, 7 other Fallujah policemen were killed returning from their graduation exercises after U.S. training. How would you characterize the state of training and equipping of the Iraqi police forces? What more do we have to do in that regard?

Ambassador BREMER. Iraqis are eager to participate in their own security, and recruitment of Iraqi police is proceeding apace. Some 50,000 Iraqi police officers are on board, and we are building up toward a professional force of 70,000-plus. Equipment and other vehicle shortages continue, and we are working to address them. International police trainers will also provide support and on-the-job training in technical skills and professionalism.

24. Senator LEVIN. Ambassador Bremer and General Abizaid, what is the relationship of U.S. forces, particularly the military police, to the Iraqi police? What is the state of cooperation and coordination between those forces?

Ambassador BREMER. Coalition Forces and Iraqi police are conducting joint patrols, and our strategy emphasizes assisting Iraqis to provide for their own security. The relationship between U.S. forces and Iraqi forces is a positive one that emphasizes building professionalism and rule of law. As we help build an effective Iraqi police force, we will relieve the burden on Coalition Forces and free them up further to pursue the enemies of progress.

General ABIZAID. U.S. Military Police (MP) are in a supporting role to the Iraqi Police Service (IPS). They work side-by-side to provide a safe and secure environment. In Baghdad, for example, the IPS, 1st Armored Division, and 18th MP Brigade all work together in a Joint Operation Center to coordinate their efforts. Across Iraq, all units have established similar procedures. There is tremendous cooperation not only between the IPS and MPs, but also between the IPS and our tactical units. They conduct joint patrols and share critical information. Over the past weeks, that level of cooperation has increased dramatically the availability of critical information to Coalition Forces. For example, largely due to information that Iraqis give to local police, Coalition Forces have been able to detect over half of enemy explosive devices before detonation.

25. Senator LEVIN. Ambassador Bremer and General Abizaid, what should be done to avoid such fratricide incidents in the future?

Ambassador BREMER. We regret the tragic accidents that have occurred, and we are always looking to improve jointly our training and communication. Continued training and cooperative efforts, including joint patrols, will reduce the risk of future accidents. In addition, we have established a Joint Coordinating Center (JCC) in Baghdad. The purpose is to provide situational awareness of military and police deployments as well as information sharing and operational planning. The center, which is based at 1st Armored Division Headquarters, is staffed by 1st AD personnel, U.S. MPs and U.K. civilians. It is being assessed for possible rollout to other areas of operation.

General ABIZAID. Improve the Tactics, Techniques, and Procedures and Standard Operating Procedures (SOP) to optimize the Identification of Friendly Forces (IFF)

and minimize fratricide. Currently at Combined Joint Task Force-7, there is an IFF working group to minimize these incidents. Incoming soldiers train according to the IFF SOP to ensure they recognize National Iraqi Security Force vehicle markings and uniforms.

26. Senator LEVIN. Ambassador Bremer, are ordinary Iraqis beginning to identify the Iraqi police as stooges of the Americans and therefore enemies?

Ambassador BREMER. Iraqis are eager to participate in their own security, and the success of our recruitment efforts attest to this. Across the country about 70,000 Iraqis now provide security to their fellow citizens, and some 50,000 Iraqi police officers are on board. More and more Iraqis are also providing information to both Iraqi police and coalition authorities on those who have or who are planning to attack Iraqis and/or coalition targets, as well as pointing out caches of arms.

27. Senator LEVIN. Ambassador Bremer, what can be done in locations such as Fallujah to bolster a police force that must feel embattled from all sides?

Ambassador BREMER. Our successful recruitment of Iraqis to serve in security forces continues, and the President has requested $5 billion to help Iraqis assume increasing responsibility for the security of their own country. This will go toward, among other things, training and equipping Iraqi police.

ANSAR AL-ISLAM

28. Senator LEVIN. Ambassador Bremer, you said in response to an earlier question that the Saddam Hussein government was supporting Ansar al-Islam prior to the war. Could you please expand upon the nature of that relationship, and provide any classified or unclassified materials that indicate the types of support that existed?

Ambassador BREMER. In Secretary of State Colin Powell's address to the U.N., he reported that Saddam's government had an agent in the most senior levels of the radical organization Ansar al-Islam in the north of Iraq.

[Whereupon, at 1:04 p.m., the committee adjourned.]