# OVERVIEW OF U.S. RELATIONS WITH EUROPE AND EURASIA

## **HEARING**

BEFORE THE

SUBCOMMITTEE ON EUROPE AND EURASIA OF THE

# COMMITTEE ON FOREIGN AFFAIRS HOUSE OF REPRESENTATIVES

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#### OVERVIEW OF U.S. RELATIONS WITH EUROPE AND EURASIA

#### THURSDAY, MARCH 10, 2011

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON EUROPE AND EURASIA,
COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC.

The subcommittee met, pursuant to notice, at 2:30 p.m., in room 2255, Rayburn House Office Building, Hon. Dan Burton (chairman of the subcommittee) presiding.

Mr. Burton. The subcommittee will come to order.

The Subcommittee on Europe and Eurasia is holding its first oversight hearing entitled Overview of U.S. Policy Toward Europe and Eurasia.

First I would like to welcome our witnesses: Assistant Secretary Philip H. Gordon, who is the State Department's Assistant Secretary for European and Eurasian Affairs; and Assistant Secretary Robert O. Blake of the State Department's Bureau of South and Central Asian Affairs. I want to thank you for your service to our Nation. And I want to thank you for your patience today, because we were stuck in our office without any idea of when we would get started.

As chairman it is my desire to work with the administration and my colleagues on both sides of the aisle to address security and economic challenges facing the United States and our allies in Europe. I sincerely look forward to working with my good friend from New York, Ranking Member Greg Meeks, if he ever gets here. And I also want to recognize Tim Griffin who is going to be the vice chairman of the subcommittee. Tim is meeting with the Speaker right now but he will be here shortly.

It is a real pleasure to work with these gentlemen and I think the committee is going to have a lot to do over the next few months. I think we have four scheduled trips throughout Europe and Eurasia and we will look forward to working with you folks.

Today, I will ask both witnesses to identify what they see as the most pressing issues and relationships that they believe require and deserve the most attention in Europe, Eurasia, and Central Asia. Last week, Secretary Clinton told the committee that the President's Fiscal Year 2012 budget request proposes to cut economic assistance to Central and Eastern Europe, the Caucasus, and Central Asia by 15 percent. I applaud the fiscal spirit of eliminating wasteful spending and encourage the Department to look at ways to trim more because of the economic situation this country faces.

In the upcoming months we will hold many oversight hearings and we will focus on ways to reduce spending and make aid more productive. In particular, we will look at reasons for reducing assistance to some countries while increasing aid to others. It would help to understand your plans to engage the countries which might receive less assistance in the future, but still have pressing issues.

History has taught us that when the United States disengages, others fill the void. And we are very concerned about who might do that. This becomes a problem if other actors don't share our values. However, we can't just continue to throw money at a problem and think it is going to solve it. Although we do not agree on every issue, the transatlantic community has worked together for decades to address matters of mutual concern. Even as the security environment and economic conditions have changed, we continue to cooperate to foster prosperity in the Balkans, fight terrorism through the North Atlantic Treaty Organization (NATO) in Afghanistan, halt proliferation of missiles and nuclear weapons in Iran and North Korea, and promote democracy and human rights to the east of the European Union's borders as well as around the world.

This subcommittee will champion a similar agenda. We would be interested in your brief assessment of what opportunities exist to do better on these issues with the governments and societies in the

region under this subcommittee's jurisdiction.

In addition to being interested in what the administration's priorities in the region are, it would also be illuminating to know how the administration is reaching out to Europe to achieve all of these goals. Between the bilateral ties, Organization for Security and Cooperation in Europe, NATO, and the European Union, one could spend too much time in meetings and await consensus that may never be attained.

To avoid that, what is the status of the State Department's adjustments to our mission to the European Union to work more actively and effectively with the post-Lisbon European Union institutions, as called for on page 47 of the State Department's first Quad-

rennial Diplomacy and Development Review.

Given our fiscal constraints, the United States should better coordinate with the EU to develop economic opportunity and the rule of law in Central Asia. The ranking member and I met with Kyrgyzstan's President earlier this week. We discussed their transition to democracy, the importance of the U.S. Transit Center at Manas as well as the enormous resource potential of the Central Asian region. Now it would be great to find out how the administration is assisting the business community to foster opportunities for business development there while balancing human rights and security.

Other countries important to the U.S. interests are in the Balkans where our work is not finished until they are integrated into the European Union and NATO. I just got back from the Balkans and I know we still have problems there, but we are anxious to solve those. I think once they become part of the EU, it will be a lot better as far as making sure we don't have conflicts in that region

I see Mr. Meeks has arrived. Had to start without you because we may have some votes here, my buddy.

We believe that the Baltics deserve more attention as well. Many feel that the administration has pursued the policy of resetting relations with Russia at the expense of allies like Lithuania, Latvia, and Estonia and we don't think that is acceptable.

The Caucasus are still a security concern and the tensions between Georgia and Russia have not rescinded. The Winter Olympics are to be held in Russia, a short drive from the tension zone, and will take place in early 2014. I know our witnesses have worked tirelessly to reassure governments in the Baltics and Caucasus. And I am less certain about the value of the reset policy to the long-term U.S. national interest globally and in the Europe and Eurasia region.

As we move forward, we will examine these and other strategic issues in greater detail through a robust hearing agenda, we are going to have a robust traveling agenda as well, we will work to restore our proper oversight duties and to engage the Obama administration on the challenges and priorities of U.S. policy toward

Europe Eurasia, and Central Asia,

I believe Congress should not simply rubber-stamp State Department policies, no reflection on you guys, but you know what I mean. And I look forward to working with the ranking member, Mr. Meeks, on these issues I have mentioned and the items he is interested in.

And with that, I recognize Mr. Meeks for his opening statement. Great to have you here.

[The prepared statement of Mr. Burton follows:]

# Remarks of the Honorable Dan Burton Chair, Subcommittee on Europe and Eurasia Committee on Foreign Affairs Hearing on: "Overview of U.S. Policy toward Europe and Eurasia" March 10, 2011

The Subcommittee on Europe and Eurasia is holding its first oversight hearing entitled, "Overview of U.S. Policy toward Europe and Eurasia."

First, I would like to welcome our witnesses, Assistant Secretary Philip H. Gordon of the State Department's Bureau of European and Eurasian Affairs and Assistant Secretary Robert O. Blake of the State Department's Bureau of South and Central Asian Affairs. Thank you for your service to our Nation and for being with us today. We look forward to hearing from you.

As Chairman, it is my desire to work with the Administration and my colleagues on both sides of the aisle to address security and economic challenges facing the United States and our allies in Europe. I sincerely look forward to working with my good friend from New York, Ranking Member Gregory Meeks. I also want to recognize Congressman Tim Griffin, the Subcommittee Vice Chair. It is a real pleasure to have Tim on the Subcommittee and I look forward to working with him.

Today, I will ask both witnesses to identify what they see as the most pressing issues and relationships they believe require and deserve the most attention in Europe, Eurasia, and Central Asia.

Last week, Secretary Clinton told the Committee that the President's Fiscal Year 2012 Budget request proposes to "cut economic assistance to Central and Eastern Europe, the Caucasus and Central Asia by 15 percent." I applaud the fiscal spirit of eliminating wasteful spending and encourage the department to continue to look for ways to trim more. In the upcoming months, we will hold many oversight hearings and we will focus on ways to reduce spending and make aid more productive. In particular, we'll look at the reasons for reducing assistance to some countries while increasing aid to others. It would help to understand your plans to engage the countries which might receive less assistance in the future, but still have pressing issues. History has taught us that when the United States disengages, others fill the void. This becomes a problem if other actors do not share American values. However, we cannot just continue to throw money at a problem and think it is solved.

Although we do not agree on every issue, the trans-Atlantic community has worked together for decades to address matters of mutual concern. Even as the security environment and economic conditions have changed, we continue to cooperate to foster prosperity in the Balkans, fight terrorism through the North Atlantic Treaty Organization (NATO) in Afghanistan, halt proliferation of missiles and nuclear weapons in Iran and North Korea, and promote democracy and protect human rights to the East of the European Union's borders as well as around the world. This Subcommittee will champion a similar agenda. We would be interested in your brief assessment of what opportunities exist to better address these issues with the governments and societies in the region under this Subcommittee's jurisdiction.

In addition to being interested in what the Administration's priorities in the region are, it would also be illuminating to know how the Administration is reaching out to Europe to achieve these goals. Between the bilateral ties, Organization for Security and Cooperation in Europe, NATO, and the European Union, one could spend too much time in meetings and await consensus that may never be attained. To avoid that, what is the status of State Department's "adjustments to our Mission to the European Union to work more actively and effectively with the post-Lisbon European Union institutions," as called for on page 47 of State Department's first Quadrennial Diplomacy and Development Review.

Given our fiscal constraints, the United States should better coordinate with the EU to develop economic opportunity and rule of law in Central Asia. The Ranking Member and I met with President earlier this week. We discussed their transition to democracy, the importance of U.S. Transit Center at Manas as well as the enormous resource potential of the Central Asia region. Now it would be great to find out how the Administration is assisting the U.S. business community to foster opportunities for business development there, while balancing human rights and security.

Other countries important to the U.S. interests are in the Balkans where our work is not finished until they are integrated into the European Union and NATO. We believe that the Baltics deserve more attention as well. Many feel that the Administration has pursued the policy of resetting relations with Russia at the expense of allies like Lithuania, Latvia, and Estonia. The Caucuses are still a security concern, and the tensions between Georgia and Russia have not rescinded. The Winter Olympics to be held in Russia, a short drive from the tension zone, will take place in early 2014. I know our witnesses have worked tirelessly to reassure governments in the Baltics and the Caucuses. I am less certain about the value of the reset policy to the long-term U.S. national interests globally and in the Europe and Eurasia region.

As we move forward, we will examine these and other strategic issues in greater detail. Through a robust hearing agenda we will work to restore our proper oversight duties and to engage the Obama Administration on the challenges and priorities of U.S. policy toward Europe, Eurasia, and Central Asia. I believe Congress should not simply rubber stamp State Department policy.

Mr. MEEKS. Thank you, Mr. Chairman. And again in our first meeting, I look forward to working with you and traveling with you as we go about doing our work on the subcommittee, and I think we can do some good work together.

Mr. Burton. Well, we have traveled together before and we get

along pretty well.

Mr. Meeks. Absolutely.

Let me first of all welcome Assistant Secretary Gordon and Assistant Secretary Blake for being with us today and providing basically what I believe will be a tour of Europe, Eurasia, and Central Asia and the priorities and challenges that the State Department policymakers and implementers will confront in the year ahead.

I also want to thank you for your unflagging efforts to advance U.S. interests abroad. Both of you cover such a broad swath of the world and manage complex bilateral and multilateral relationships. It is by dint of your nimble, skillful diplomacy, and that of the teams of officers and specialists you lead, that the U.S. maintains the productive relationships throughout these vast regions. Even with countries, sometimes neighboring countries, that have serious points of conflict with one another, such diplomatic successes often requires to us take part or even take the lead at mediating disputes or negotiating resolutions to conflicts from far away.

It is clear to me that the State Department's skilled leadership in building alliances, resolving conflicts and crises makes the world a safer place. As Secretary Gates says, though, our investment in diplomacy not only achieves results, it does so on the cheap compared to the cost of military intervention to keep or restore peace.

Our dynamic relationship with the countries and institutions of Europe are complex, to say the least. Transatlantic trade and investment bind us together in mutually beneficial relationships, creating jobs and wealth. Europe and the United States depend on one another's political support and leadership to address natural and political crises, participating through the EU and NATO or bilaterally to address concerns for our field.

Not surprisingly, therefore, of particular interest to me is our transatlantic partnership and how we and NATO and the EU members are coordinating efforts and influence to resolve crises that threaten global security. I will also be interested in hearing your views on the prospects of the frozen conflicts in the regions

vou cover.

As the world watches with both excitement and trepidation of potential transformation of Northern Africa and the Middle East, questions arise about the effect that the movement for freedom and open societies might have in a place like Belarus, where Europe's last dictator still holds sway. We want to assure our partners in Europe that they continue to be important to us and that we need each other to prosper and that we need one another to ensure global stability.

Turning briefly to Central Asia, I accept the argument that Central Asia matters to the United States. This is most obvious in Pakistan and Afghanistan. And we appreciate all that Central Asian countries do to support the Northern Distribution Network.

In my role as the ranking member, I look forward and know I will work together with Chairman Burton and do my best to deepen these relationships through engagement with parliamentarians

and government officials.

Finally, in the course of advancing the U.S. interests and securing peace and stability and in opening markets for U.S. trade and investment, in the past we sometimes forged unholy alliances. That is, we looked the other way at a government's domestic policies regarding human rights, particularly minority and women's rights or freedom of speech. We need to be sure, going forward, that the reliable partners with whom we seek to do business are also respectable partners; that along with our economic and political agenda, we advance and insist on respect for human and civil rights.

So this committee has broad jurisdiction and indeed we are living history today. The camera of history is rolling on us. And I look forward to working together again with my colleague, Mr. Burton, on the other side of the aisle and my colleagues on our side, working together to make this place we call Earth a better place because we work together with our allies in Europe and Central Asia.

Mr. Burton. Thank you, Mr. Meeks.

Do any of the other members have opening statements they would like to make? You are recognized.

Mr. SIRES. Thank you, Mr. Chairman. First, let me compliment the staff for getting this room together in such a short period of

time. They ran around pretty good to try to get this done.

Thank you very much for holding this hearing, Mr. Chairman, to assess American relations with Europe and Eurasia. Europe has and will continue to be a vital partner of the United States in addressing critical global challenges. On practically all major U.S. economic and foreign policy concerns, we have European allies for cooperation and leadership, U.S.-European cooperation in countries such as Afghanistan, Iran, the Middle East and Russia, and on counterterrorism will play an important role in our decision regarding future policies affecting these areas.

While we may not agree on every aspect of every issue, our transatlantic partnership thrives due to our shared values, overlapping interests and similar goals. For this reason, the U.S. has long supported European efforts of political and economic integration. A stronger European Union is both in the best interest of America and the greatest way to force a stable and prosperous Europe.

Moving forward, I think it will be critical for this subcommittee over the course of this Congress to evaluate such topics as transatlantic secured relations in respect to NATO and the effectiveness of such Europe-Atlantic security institutions, as well as focus on developments within Europe that undoubtedly have a profound effect on transatlantic relations such as the Eurozone debt crisis, the evaluation of the EU and reform efforts in the Balkans and states of the former Soviet Union. And I thank you.

Mr. Burton. Eliot?

Mr. ENGEL. Mr. Chairman, first of all, I want to take the opportunity to congratulate you and welcome you as chairman. I am glad that I am serving on this panel. You and I have had many years together on this committee and, in fact, on the Western Hemisphere Subcommittee where you were the chair and I was ranking, and then I was the chair and you were ranking, and we worked together. And one of the things that has always been the case is

that we have shared so many common goals in terms of the way we would like to see the United States relate to our friends and neighbors, and even our adversaries as well. So I know you are

going to do a great job.

I want to welcome our Secretaries, both of whom do excellent jobs and both of whom I have had the pleasure of working with. And, you know, every region is important, but if there is a region that the United States has had a special relationship with through the years, it certainly has been our allies in Europe. And that is why we care so much about what goes on in Europe, we care so much about what happens in the European Union, even though we are obviously not members of the European Union. And I firmly believe that without the strong United States presence in Europe, we can't always count on everyone, without us, to do the right thing.

You know, as I have had discussions on one of my particular areas of concern, Kosovo and the Balkans, and I really just want to stress how important it is that I believe the United States has a presence at these meetings with the Kosovo-Serbia talks every step of the way. I think if the United States is not involved—I am not so sure we saw in Bosnia years ago, and then in Kosovo in 1999, when the United States didn't get involved, things tended not

I also want to mention something that is on everyone's mind; of course, that is Libya. And we know that anything that the United States does or doesn't do in Libya should absolutely be coordinated with our allies in the region. It can't be the United States doing something and looking again like it is off on its own.

So I would be interested in hearing your comments which I am sure you will have on Libya, and also on the Balkans, with Kosovo

in particular.

Mr. Chairman, again I look forward to working with you. Mr. Burton. Thank you, Mr. Chair—I want to call you Mr. Chairman again, Eliot.

Mr. ENGEL. Well, once was and hopefully will be again, you

Mr. Gallegly. We are still looking for a few good people.

Mr. Burton. All right. Robert Blake, Assistant Secretary for South and Central Asian Affairs. His term of appointment was from May 2009 to now. He is a career Foreign Service Officer. Ambassador Blake entered the Foreign Service in 1985. He served at the American Embassies in Tunisia, Algeria, Nigeria and Egypt, those troubled areas. He held a number of positions at the State Department in Washington, including senior desk officer for Turkey, Deputy Executive Secretary and Executive Assistant to the Under Secretary for Political Affairs. Ambassador Blake served as Deputy Chief of Missions at the U.S. Mission in New Delhi, India, from 2003 to 2006; as Ambassador to Sri Lanka and Maldives, from 2006 to 2009; as Assistant Secretary for South and Central Asian affairs, from May until now. Mr. Blake earned his B.A.-why didn't you go to a Big 10 school instead of Harvard? You have to settle for second rate?

Ambassador Blake. Oh, dear. The oversight is starting already. Mr. Burton. He went to Harvard and got his B.A. in 1980 and an M.A. in international relations from Johns Hopkins School of Advanced International Studies in 1984. And we will start with you Mr. Blake.

#### STATEMENT OF THE HONORABLE ROBERT O. BLAKE, ASSIST-ANT SECRETARY, BUREAU OF CENTRAL AND SOUTH ASIAN AFFAIRS, U.S. DEPARTMENT OF STATE

Ambassador Blake. Thank you very much, Mr. Chairman and members of the committee. I am really delighted to be here today to talk a little bit about our policy in Central Asia. At the outset, let me say that we really welcome both of your comments about working with us to deepen our engagement in Central Asia, which is such an important region for us in the world.

Mr. Chairman, I have a longer statement, and I will just make a very short one and I will submit the longer one for the record.

Mr. Chairman, the United States has an important interest in promoting a stable, secure, democratic and prosperous Central Asia. These interests shape our core U.S. policy objectives which are encouraging Central Asia's help in stabilizing Afghanistan, protecting democracy, combating narcotics trafficking, promoting balance to energy policies in nonproliferation, and fostering competitive market economies.

Over the past 2 years we worked to broaden the atmosphere of trust and strengthen relations with the governments and people of Central Asia through annual bilateral consultations that we have instituted with each country. These constitute face-to-face structured dialogues based on a jointly developed comprehensive agenda that addresses the full spectrum of our bilateral priorities.

We have conducted a thorough review of our assistance programs in Central Asia to ensure that they are closely linked with our priorities. The President's fiscal 2012 budget request includes a 6 percent decrease in funding for the Central Asian region compared to

budgeted levels for Central Asia in Fiscal Year 2010.

Mr. Chairman, Central Asia plays a vital role in our Afghanistan strategy. The Northern Distribution Network is an important route for getting nonlethal supplies into Afghanistan for U.S. and coalition forces. In addition, the great majority of our troops in Afghanistan pass through the Manas Transit Center that you discussed with President Otunbayeva.

This year we have focused on expanding the capacity of the Northern Distribution Network to offer multiple alternate routes

for transiting our cargo into Afghanistan.

Several Central Asian countries have also maintained their own assistance programs such as Kazakhstan's effort to educate Afghan students and Uzbekistan's and Turkmenistan's provision of muchneeded electricity to Afghanistan.

Let me briefly highlight key issues in each of these countries.

Starting with Kazakhstan, our relationships with Kazakhstan are perhaps our deepest and broadest in Central Asia, with cooperation across a broad range of fields as diverse as nonproliferation, support to Afghanistan, energy and health. Kazakhstan has been a global leader on nuclear nonproliferation since its earliest days of independence and as Central Asia's economic powerhouse. Kazakhstan will account for one of the largest increases in non-

OPEC supply to the global market in the next 10 to 15 years as its oil production doubles to reach 3 million barrels a day by 2020.

We continue to encourage the government to enhance democracy. human rights and the role of civil society. Kazakhstan will hold early Presidential elections on April 3, 2011, and we in the international community see these elections as an important opportunity to strengthen the electoral process there.

In Uzbekistan, over the past 2 years we have worked hard to build stronger relations with that important country. Uzbekistan remains a valued partner for its participation in NDN, its role in exporting reasonably priced electricity to Afghanistan and its con-

struction of an important railway link into Afghanistan.

We continue to encourage the Uzbek authorities to address significant human rights concerns, including ending forced child labor in the cotton harvest, opening up the media environment, curtailing abuses by security forces, and ending harassment of civil society and international NGOs.

Helping Kyrgyzstan consolidate its successful transition last year to a parliamentary democracy remains a top priority for the United States. People around the region and beyond are watching closely and will make future judgments about the efficacy of democratic

governance based on the success or failure of Kyrgyzstan.

As you mentioned, President Otunbayeva just concluded a very productive visit to the United States this week, during which Secretary Clinton presented her and nine others with the International Women of Courage Award. We continue to monitor the potential for renewed ethic violence as tensions remain following violence in the south last June. In our actions with the government we have encouraged accountability, equal access to justice, respect for human rights and reconciliation.

Tajikistan is one of the poorest countries in the world and a very fragile state in a volatile neighborhood. U.S. policy there is to support the country in maintaining stability and creating the conditions for economic and democratic development. With the resources that we put into our partnership with Tajikistan, we seek to help improve law enforcement and border security capabilities, increase food security, improve the health and education of its citizens, and

build good governance.

As our reports on human rights and on the investment climate and religious freedom have made clear, we have concerns about the pace and direction of political developments there, as well as restrictions on religious and media freedoms. These continue to be

very important parts of our dialogue.

Lastly, Turkmenistan is a country of growing importance as well to the United States. It has important hydrocarbon resources and is seeking alternative routes for distribution. One such project is the Turkmenistan-Afghanistan-India-Pakistan, or TAPI, pipeline, which President Berdimuhamedov is taking a leading role in getting off the ground.

We also appreciate Turkmenistan's humanitarian help to its neighbor Afghanistan by providing discounted electricity, housing and other assistance. We continue to encourage the Turkmen Government to take concrete steps to fulfill its international obligations on human rights, and we have offered assistance to help advance those goals.

Mr. Chairman, in conclusion we see a future in which the United States and the countries of Central Asia will work closely together for peace, security, economic development, democracy and prosperity. Again, I thank you very much for the opportunity to appear today and look forward to working closely with you and your colleagues.

Mr. Burton. Thank you very much Secretary Blake. I appreciate you giving us that comprehensive report.

[The prepared statement of Mr. Blake follows:]

TESTIMONY BEFORE THE HOUSE FOREIGN AFFAIRS COMMITTEE, SUBCOMMITTEE ON EUROPE AND EURASIA ROBERT O. BLAKE, JR. ASSISTANT SECRETARY OF STATE BUREAU OF SOUTH AND CENTRAL ASIAN AFFAIRS MARCH 10, 2011

Chairman Burton, members of the committee: Thank you for inviting me, I welcome the opportunity today to speak with you regarding U.S. policy in Central Asia and the partnerships we have with the countries of this important region.

#### Why is Central Asia important to the U.S.?

The United States has an important interest in promoting a stable, secure, democratic and prosperous Central Asia. These interests shape our core U.S. policy objectives, which are: encouraging Central Asia's help in stabilizing Afghanistan; promoting democracy; combating narcotics trafficking; promoting balanced energy policies and non-proliferation; and fostering competitive market economies.

While pursuing these interests often poses serious challenges, robust engagement and assistance to the countries of Central Asia remain important to stability in the region and to achieving our goals in Afghanistan and Pakistan.

Over the past two years, we have worked to broaden the atmosphere of trust and strengthen relations with the governments and people of the Central Asian countries. We aim to create stronger partners for the United States in addressing common yet critical global issues encompassing a broad spectrum of challenges,

from Afghanistan to non-proliferation to counter-narcotics to energy security. Collaboration with European partners and increased cooperation with Russia and China are critical to addressing these and other issues facing Central Asia. With careful and continued engagement by all partners, including the Central Asian countries themselves, Central Asia could help reinvigorate economic and trade links between the economies of Western Europe and Russia, the energy resources of Central Asia, and the emerging economies of India, Afghanistan, Pakistan and Bangladesh, bringing sustainable prosperity to the entire region.

To strengthen our engagement with Central Asia, in December 2009 we instituted Annual Bilateral Consultations (ABCs) with each country. Each ABC constitutes a face-to-face structured dialogue, based on a jointly developed, comprehensive agenda that facilitates candid discussions on the full spectrum of bilateral priorities, including human rights, religious freedom, science and technology collaboration, economic development, defense cooperation, and any other issue that either side would like to bring to the table. Each discussion results in a work plan to address key priorities and outline practical steps to advance U.S. policy goals. The road to achieving these goals is not always a smooth one, but our continued engagement with the region is yielding important results that I will discuss below.

We also continue to view our assistance funding to the region as a critical tool in accomplishing our policy goals. We conducted a thorough review of our assistance programs in Central Asia to ensure that they are closely linked with our priorities. The President's Fiscal 2012 budget request includes a 6% decrease in funding for the region compared to budgeted levels for Central Asia in FY 2010. This decrease reflects our commitment to a lean, strategically targeted budget that will advance our interests in Central Asia. The most important of these is the support of Central Asian states for international efforts in Afghanistan.

#### Central Asia's assistance in Afghanistan

Central Asia plays a vital role in our Afghanistan strategy. A stable future for Afghanistan depends on the continued engagement of its Central Asian neighbors — just as a stable, prosperous future for the Central Asian states is linked to bringing peace, stability and prosperity to Afghanistan.

The Northern Distribution Network (NDN) is an important route for getting non-lethal supplies into Afghanistan for U.S. and coalition forces. In addition, the great majority of our troops in Afghanistan pass through the Manas Transit Center in Kyrgyzstan. This year we have focused on expanding the capacity of the Northern Distribution Network to offer multiple, alternate routes for our cargo transiting into Afghanistan. These routes are becoming an increasingly important component of our bilateral relationships in the region. Several Central Asian

countries have also maintained their own assistance programs, such as Kazakhstan's effort to educate Afghan students, or Uzbekistan's and Turkmenistan's provision of much-needed electricity to Afghanistan.

But our relations with Central Asia are by no means limited to cooperation on Afghanistan. We have a broad agenda encompassing everything from counterterrorism and counternarcotics to democracy promotion, protection of human rights, and economic development. I will now briefly highlight key issues in our relations with each country.

#### Kazakhstan

Our relations with Kazakhstan are perhaps our deepest and broadest in Central Asia, with cooperation across a broad range of fields as diverse as non-proliferation, support to Afghanistan, energy and health. Kazakhstan has been a global leader on nuclear nonproliferation since its earliest days of independence when it renounced its nuclear weapons and closed the nuclear test site at Semipalatinsk. The U.S. and Kazakhstan completed in 2010 a long and complicated project to safely shut down Kazakhstan's BN-350 reactor, secure the weapons-grade spent fuel it produced, enough to build up to 775 nuclear weapons, and then package and transport the spent fuel more than 2,100 miles for secure storage in Eastern Kazakhstan.

Kazakhstan is the economic powerhouse of Central Asia. President
Nazarbayev's decision to invite major oil companies to develop the country's vast
hydrocarbon resources in the 1990s was a game-changer for Kazakhstan's future.

Already a significant oil producer, Kazakhstan will account for one of the largest
increases in non-OPEC supply to the global market in the next 10-15 years as its
oil production doubles to reach 3 million barrels a day by 2020.

Kazakhstan provides vital logistical support to the International Security
Assistance Force (ISAF) through the NDN. Kazakhstan is also investing in
Afghanistan's next generation of leaders through a \$50 million scholarship
program to educate one thousand Afghan students in Kazakhstan's universities.

While Kazakhstan is growing in other ways, we continue to encourage the government to enhance democracy, human rights and the role of civil society. Following a failed attempt to extend President Nazarbayev's term by referendum, Kazakhstan will hold early presidential elections on April 3, 2011. We and the international community see these elections as an important opportunity to strengthen the electoral process.

#### Uzbekistan

Over the past two years, we have worked hard to build stronger bilateral relations with Uzbekistan. In February, I led a delegation to Tashkent to hold the second round of Annual Bilateral Consultations. Our dialogue encompassed four

key areas of the bilateral relationship: political, security, economic, development, as well as democratic reform.

In the regional security field, Uzbekistan remains a valued partner for its participation in NDN and its role in Afghanistan reconstruction. A few years ago Uzbekistan began a new effort to export reasonably-priced electricity to Afghanistan, which dramatically increased power supplied in the north of the country and continues to keep the lights on in Kabul to this day. Uzbekistan has facilitated transit for essential supplies to coalition forces in Afghanistan. Its national rail company, with funding from the Asian Development Bank, constructed an important railroad line that links the southern Uzbek city of Khairaton to the northern Afghanistan city of Mazar-e Sharif. The railroad will help boost trade between Central Asia and Afghanistan.

Uzbekistan also played a constructive role during the outbreak of ethnic violence in Kyrgyzstan last year by working with the UN High Commissioner for Refugees (UNHCR) and accepting large numbers of ethnic Uzbek refugees.

Through our increased engagement, we have seen an improved relationship with Uzbekistan, but many challenges remain.

We continue to hold a dialogue to encourage the Uzbek authorities to address significant human rights concerns including ending forced child labor in

the cotton harvest, opening up the media environment, curtailing abuses by security forces, and ending harassment of civil society and international NGOs.

We are also encouraging the government to build a more investment-friendly business environment which will enhance economic opportunities for American businesses and benefit the Uzbek economy. The high level of interest from American companies to participate in the recent business delegation that accompanied me to the ABC is evidence of the potential to build commercial ties that would produce economic benefits for both the U.S. and Uzbekistan.

#### Kyrgyzstan

Helping Kyrgyzstan consolidate its successful transition last year to a parliamentary democracy remains a top priority for the United States. People around the region and beyond are watching closely and will make future judgments about the efficacy of democratic governance based on the success or failure of Kyrgyzstan. President Otunbaeva just concluded a visit to the U.S. this week, during which Secretary Clinton presented her and nine others with the International Women of Courage Award.

The end of the Bakiev regime in April 2010 opened new opportunities for engagement and democratic progress. Historic free and fair elections held on October 10, 2010 resulted in a multiparty parliamentary system of government, with an independent legislature – a first for Central Asia. U.S. assistance to help

prepare the ground for the elections and ensure a fair and open process played a key role. However, concerns remain. We continue to monitor the potential for renewed ethnic violence, as tensions remain following violence in the south last June. In our interactions with the new government, we continue to encourage accountability, equal access to justice, respect for human rights and ethnic reconciliation.

The Manas Transit Center represents an important contribution by the Kyrgyz Republic to our efforts in Afghanistan. In addition to facilitating the flow of U.S. troops and supplies into Afghanistan, the Transit Center contributes to the local economy by improving employment opportunities for, and purchasing local goods from, local communities.

#### Tajikistan

One of the poorest countries in the world, Tajikistan is a fragile state in a volatile neighborhood. U.S. policy is to support Tajikistan in maintaining stability and creating the conditions for economic and democratic development. With the resources we put into our partnership with Tajikistan, we seek to help improve law enforcement and border security capabilities, increase food security, improve the health and education of the citizens of Tajikistan, and build good governance.

As our public reports on human rights, on the investment climate, and on religious freedom have made clear, we have concerns about the pace and direction

of political developments, as well as restrictions on religious and media freedoms in Tajikistan. These continue to be important parts of our dialogue with Tajikistan.

#### Turkmenistan

Turkmenistan is a country of growing importance to the United States. It has important hydrocarbon resources, and is seeking alternative routes for their distribution. One such project is the Turkmenistan-Afghanistan-India-Pakistan, or TAPI, pipeline, which President Berdimuhamedov is taking a leading role in getting off the ground. TAPI could help integrate the Central and South Asian regions by sending energy resources where they are most needed, and we hope that U.S. firms are involved in its development.

We also appreciate Turkmenistan's humanitarian help to its neighbor

Afghanistan by providing discounted electricity, housing and other assistance. We
continue to encourage the Turkmen government to take concrete steps to fulfill its
international obligations on human rights and have offered assistance to help
advance Turkmenistan's stated goals of developing a democracy.

#### Conclusion

Mr. Chairman, in conclusion, we see a future in which the United States and the countries of Central Asia work together for peace, security, economic

development, democracy and prosperity. We recognize that the pace of change is often slow and that our programs should focus on long-term, meaningful results. But through our invigorated policy dialogue and engagement, we aim to strengthen our ties with these important countries and their people and thereby advance U.S. interests in this strategically important region.

Thank you. I look forward to your questions.

Mr. Burton. We probably will have votes here in an another 15 minutes. I want to apologize because we will have to break for votes. We will go ahead and go as far as we can, and then we will come back as soon as we get through the issues on the floor.

Phil Gordon. Philip Gordon is the Assistant Secretary for the Bureau of European and Eurasian Affairs. He was appointed in 2009, May. He was nominated as Assistant Secretary on March 6th of 2009 and took the office in May. From 2000 to 2009 he was a senior fellow at the Brookings Institution in Washington where he focused on a wide range of European and U.S. foreign policy issues.

Prior to joining Brookings, Dr. Gordon was director for European affairs at the National Security Council under President Bill Clinton. At the NSC, he played a key role in developing and coordinating NATO policy in the run-up to the Alliance's 50th anniversary summit in Washington, DC. He has also held teaching and research posts at the International Institute for Strategic Studies in London; the Johns Hopkins University School of Advanced International Studies in Washington; INSEAD in Fontainebleau, France, and Singapore; and the German Society for Foreign Affairs in Bonn.

Dr. Gordon has a Ph.D. and an M.A. in European studies from Johns Hopkins University and a B.A. in French and philosophy from Ohio University. His working languages include French, German, Italian and some Spanish.

You are going to have to help me with some of that. My wife speaks four or five languages, and when she gets angry at me I

never know what she is saying.

He has published a number of books and articles on international relations and foreign policy and has been a frequent contributor to major publications such as the New York Times, Washington Post, International Herald Tribune and Financial Times. Welcome. Dr. Gordon you have the floor.

## STATEMENT OF THE HONORABLE PHILIP H. GORDON, ASSIST-ANT SECRETARY, BUREAU OF EUROPEAN AND EURASIAN AFFAIRS, U.S. DEPARTMENT OF STATE

Mr. GORDON. Thank you very much, Mr. Chairman. I am also delighted to be here and I want to thank you and the rest of the committee for holding these important hearings. I have in the past, my bureau worked very closely and well with this committee, and I look forward to doing so under your chairmanship. I have also submitted a longer statement for the record.

Mr. Burton. Sure.

Mr. GORDON. With your permission, I will just make a few brief remarks to kick us off here. I will start with a very simple point, which is that our engagement with Europe begins with the idea that the United States has a very daunting international agenda and we cannot possibly deal with it alone. And as we meet the challenges that we face, we have no better partner than Europe, where we work with democratic, prosperous, militarily capable allies who share our values and share our interests. As President Obama recently put it, Europe is "the cornerstone of our engagement with the world."

There are three basic objectives that stand out in our efforts for

Europe. And I would like to talk a little bit about each.

First, we work with Europe as a partner in meeting global challenges. No matter what the issue, whether it is the war in Afghanistan, efforts to contain the Iranian nuclear challenge, the situation in Libya that is evolving before our eyes today, Europe is a critical partner.

Second, we are still working with Europe on Europe. That is to say, working to complete the historic project of helping to extend stability, democracy, and prosperity to the entire continent. Our work in promoting European integration is not yet done and the effort continues today in the Balkans, in Europe's east, and in the Caucasus.

Finally, we have sought to set relations with Russia on a more constructive course. Our goal has been to cooperate with Russia where we have some common interests, but not—let me be clear—at the expense of our principles or our friends.

When I look back at the last 2 years, the 2 years of the Obama administration, I think we can point to some significant developments and progress in each of these priority areas. On working with Europe on global challenges, we have pulled together as never before with our European partners.

Just some specifics. In Afghanistan European countries now provide nearly 40,000 troops and the total European financial contribution to Afghanistan since 2001 comes to around \$14 billion.

In Iran, we have maintained unity in our efforts to engage and, at the same time, seen the strongest set of sanctions adopted by the U.N. Security Council and even more robust set of follow-on sanctions adopted by the European Union.

On missile defense, NATO allies decided to develop a capability that will provide full coverage and protection from ballistic missile threats for all NATO European territory, population and forces.

In North Africa and the Middle East, we are consulting and cooperating very closely with our European partners on a daily basis as the situation rapidly evolves. Working together in multilateral fora, we have joined with others to impose a U.N. arms embargo on Libya, to suspend Libya from the Human Rights Council, and we have closely coordinated at NATO, and we have coordinated additional sanctions on Libya with the European Union and its member states.

In the second area, extending the European zone of prosperity, stability and democracy, we have had some important successes but we are cognizant that important challenges also remain.

In the Balkans, the United States and Europe strongly share the view that Europe will not be complete until all of the countries of the Western Balkans are fully integrated into Western institutions. On all of the issues in the region, including the dialogue between Serbia and Kosovo that began this week, but also on the question of the future of Bosnia, on Croatia's path to the European Union, we continue to consult closely with Europe on what really is a joint project.

In Belarus, we have had a joint response to the recent crackdown. Together, we have made very clear that business as usual will not continue as long as the suppression of civil society, the opposition, and independent media continues. The United States and the European Union have called for the immediate and unconditional release of all detainees and we have tightened sanctions, while at the same time reaching out to support the aspirations of civil society and the people of Belarus.

In the Caucasus, our efforts with the European Union in the region have resulted in some progress, but disputes over territory remain and there is an ongoing need for further political and economic reform.

In Georgia, steadfast engagement and generous assistance have aided in transforming Georgia into a developing democracy and an important partner to NATO in Afghanistan. Together, we will maintain our support for integrity and sovereignty within internationally recognized borders.

Finally, in one of the most important parts of our European agenda, our reset with Russia, the policy has paid significant dividends. We think the results speak for themselves. We have completed a new START treaty, advancing our goals in the area of nonproliferation. We have signed an agreement for the transit of troops and materials across Russia in support of our efforts in Afghanistan. We have secured Russia's cooperation in dealing with Iran and North Korea's nuclear programs. We have done all of this, I will stress again, without compromising our principles; in particular, our steadfast commitment to the sovereignty and territorial integrity of all of the nations of Europe.

Clearly there remains much work to be done on all of these issues. None of them is easy, particularly at a time of budgetary austerity. I am confident that the partnership between the United States and Europe, which has achieved so much and has received such welcome bipartisan support over the past decades, will achieve even greater things in the decades to come. I look forward to discussing it with you here today.

Mr. Burton. Thank you, Dr. Gordon.

[The prepared statement of Mr. Gordon follows:]

#### Testimony of Philip H. Gordon Assistant Secretary of State for European and Eurasian Affairs House Foreign Affairs Subcommittee on Europe and Eurasia

#### March 10, 2011

Chairman Burton, Ranking Member Meeks, Members of the Committee:

Watching the wave of democracy protests in the Arab world reminds us inevitably of the last time dictatorships across an entire region suddenly shook and collapsed under the weight of the people's desire for freedom. In 1989, Europe changed suddenly and immeasurably. Because of those events and because of the wise bipartisan policies in the years that followed, Europe, and our relationship with Europe, has changed vastly in the last twenty years. In those days, the major preoccupation in the transatlantic relationship was the defense of Europe against the Soviet threat. Today, Europe is almost fully democratic, largely unified, and is America's most important global partner. The U.S. and Europe work together on an extraordinarily wide range of issues, from Afghanistan to Iran to the tumultuous events in North Africa and the Middle East. On both sides of the Atlantic we are working hard to recover from the worst financial crisis since The Great Depression. Because our economics are intertwined, and we are working together so closely on problems around the globe, policy decisions taken in Europe to address the Eurozone crisis will have an impact here in the United States. But, there is a common thread that runs through all our engagement with Europe: U.S.-European cooperation is and remains essential to achieving our strategic objectives.

Our engagement with Europe begins with the idea that the United States faces a daunting international agenda and that our ability to deal with it is immeasurably increased by working with strong allies and partners. In meeting these challenges, we have no better partner than Europe, where we work with democratic, prosperous, militarily-capable allies who share our values and share our interests. In the words of President Obama, Europe is "the cornerstone of our engagement with the world."

To help you understand the breadth and depth of that engagement, I'll describe the strategic objectives which drive our approach toward Europe. Then, I'd like to offer you an assessment of our record over the past two years on these objectives.

When I think about this administration's priorities in Europe, there are three basic objectives that stand out in our engagement with the continent:

- First, we work with Europe as a partner in meeting global challenges. On
  every issue of global importance, Europe's contributions are crucial to
  solving major international challenges. No matter what the issue is from
  the war in Afghanistan, to the Iranian nuclear challenge, to the situation in
  Libya Europe is indispensable. We are vastly stronger in terms of
  legitimacy, resources, and ideas when we join forces with Europe on the
  global agenda.
- 2. Second, we are still working with Europe on Europe, that is to say working to complete the historic project of helping to extend stability, security, prosperity and democracy to the entire continent. The extraordinary success that the United States and Europe have had together in promoting European integration, in consolidating and supporting the new democracies in Central and Eastern Europe and integrating them into Euro-Atlantic institutions demonstrates the promise of this enterprise. But our work is not done. And so the effort continues in the Balkans, in Europe's east, and in the Caucasus.
- 3. Finally, we have sought to set relations with Russia on a more constructive course. President Obama recognized that he had inherited a relationship that was in a difficult place and that this situation did not serve the interests of the United States. Therefore, our goal has been to cooperate with Russia, where we have common interests, but not at the expense of our principles or our friends.

Looking back on the past two years, we can point to significant progress in each area:

First, on working with Europe on global challenges, we have worked together as never before with our European partners on Afghanistan, on Iran, on missile defense, and on the momentous and fast breaking developments in North Africa and the Middle East. Specifically:

 In Afghanistan, following the President's West Point speech in November 2009, Europe contributed about 7,000 additional troops, over 100 training teams for the Afghan army and police, and nearly \$300 million for the

- Afghan National Army trust fund. European nations now have almost 40,000 troops in Afghanistan and the total European contribution to Afghanistan since 2001 comes to \$14 billion.
- On Iran, we maintained unity in our efforts to engage and have at the same
  time seen the strongest-ever set of sanctions adopted by the UN Security
  Council and even more robust set of follow-on sanctions adopted by the
  European Union. These additional measures taken by the EU cover a variety
  of areas critical to the regime including trade, finance, banking and
  insurance, transport, and the gas and oil sectors, in addition to new visa bans
  and asset freezes. These steps have raised the price of Iran's failure to meet
  its obligations and we hope will serve to bring them back to the negotiating
  table.
- On Missile Defense, NATO allies recognized at the Lisbon Summit in November 2010 that the defense of Europe can no longer be achieved just by tanks or bombers. Now, we need defenses against a new and grave set of threats, in particular ballistic missiles in the hands of dangerous regimes. Our aim as an alliance is to develop a missile defense capability that will provide full coverage and protection from ballistic missile threats for all NATO European territory, populations, and forces. This capability will be a tangible expression of NATO's core mission of collective defense. At the summit, allies also welcomed the U.S. missile defense system in Europe, known as European Phased Adaptive Approach, as a valuable national contribution to the overall effort, and we hope to see additional voluntary contributions from other allies. We are now exploring further ways to cooperate with Russia on missile defenses, without in any way prejudicing NATO's ability to independently defend its territory from missile threats.
- In North Africa and the Middle East, we're consulting and cooperating closely with NATO, the EU and member states, and other European allies as the situation rapidly evolves. Working together in multilateral fora, we have joined with others to impose a UN arms embargo on Libya and to suspend Libya from the Human Rights Council. We have also closely coordinated our additional sanctions on Libya with actions of the EU and its member states, with a recognition that Europe has relationships and assets in North Africa that we do not, and that united we will be more effective at increasing the pressure on the Qadhafi regime. In the longer term, we will work closely with Europe, in Egypt, in Tunisia, and in Libya to foster democratic transition and encourage economic development.

In the second area, extending the European zone of peace, prosperity, and democracy, we have had some important successes, but equally important challenges remain. As I said at the outset, the work of "completing" Europe is not finished. What I think is most notable about efforts now under the Obama Administration is how closely – as part of a deliberate strategy – we are working together with Europe to achieve this goal.

- Take, for instance, Ukraine, Belarus, Moldova, Georgia, Azerbaijan, and Armenia. These are the countries of the EU's Eastern Partnership, an initiative that the United States strongly supports and works with to enhance democracy, stability, and security in this part of the world. We share with our European counterparts a similar approach to these countries because of our common goals.
- The same can be said of the Balkans: the U.S. and European view is that Europe will not be complete until all of the countries of the Western Balkans are full EU members. On the dialogue between Serbia and Kosovo, on the future of Bosnia, on Croatia's path to the EU, we have consulted closely with Europe. We also welcomed Albania and Croatia into NATO, extended Membership Action Plans to Bosnia and Montenegro, and Macedonia will join once the dispute over its name is resolved. This degree of accord on the Balkans is the foundation of our success—we work together every step of the way. The intensive joint diplomacy of recent months has shown how closely our visions are aligned, something which is essential for progress in the region.
- Together, the U.S. and the European Union can have a decisive impact in this region. In fact, we see one example of that cooperation in our joint response to events in Belarus. The Government of Belarus's crackdown on civil society and the opposition following the flawed election in December has been sharply condemned on both sides of the Atlantic. We have made very clear that business as usual will not continue so long as the suppression of civil society, the opposition, and independent media continue. The U.S. and the EU have called for the immediate and unconditional release of all detainees, but the government and its court system are trying and sentencing these individuals, thereby creating new political prisoners. Both we and Europe have tightened sanctions even as we and Europe reach out to support the aspirations of the people of Belarus for a modern open society. To that end, the United States is increasing its assistance to help Belarusians create space for the free expression of political views and develop civil society.

Both we and Europe want a better, more productive relationship with Belarus; unfortunately, the country's leadership seeks to limit its people's options.

- Turning to the Caucasus, our joint efforts with the European Union in the region have resulted in progress, but disputes over territory and a need for further political and economic reform remain serious obstacles to greater stability throughout the Caucasus. In Georgia, our steadfast engagement and generous assistance has aided in transforming Georgia into an aspiring democracy and important partner to NATO in Afghanistan. Together, with our European partners, we will maintain our support for Georgia's territorial integrity and sovereignty within its internationally recognized borders. Elsewhere in the Caucasus, we will continue with the Europeans to encourage normalization between Turkey and Armenia, and increase our engagement through the Minsk Group to help Armenia and Azerbaijan find a peaceful settlement to the Nagorno-Karabakh conflict. We believe that the United States and Europe must work together to avoid further conflict in Europe and help the countries in the region move towards a democratic future that includes peace and greater prosperity.
- Our foreign assistance investments remain an important instrument in advancing the European zone of peace, prosperity and democracy. There have been reductions to the region's assistance budget in the Administration's FY 2012 Request. They are the result of the achievement of some assistance goals in the region and of the particularly difficult budget climate in which we find ourselves. In future decisions on resource allocations, we will continue to take account of vital long-term U.S. interests in this region.

Finally, what has arguably been the most challenging part of our European agenda – our reset with Russia – has paid significant dividends. We can now say that our engagement with Russia can help with America's security and our global priorities. The results speak for themselves:

Most significantly, we have concluded a New START Treaty and following
the recent approval by both Congress and the Russian State Duma, it has
entered into force. The agreement is the most comprehensive arms control
agreement in nearly two decades and significantly reduces the number of
nuclear weapons and launchers deployed by the United States and Russia
while also putting in place a strong verification regime.

- We signed an agreement for the transit of troops and materiel across Russia in support of efforts in Afghanistan. Under our bilateral agreements, more than 850 flights carrying over 130,000 U.S. military personnel have transited Russia en route to Afghanistan. Under a NATO-Russia agreement, more than 23,000 containers have transited Russia for use in Afghanistan. At this time, 50% of U.S. sustainment cargo for Afghanistan goes through the Northern Distribution Network and 60% of supplies transiting that network go through Russia. This is a significant benefit for the United States.
- We have secured cooperation with Russia on Iran and North Korea's nuclear programs, both in terms of UN Security Council Resolutions 1929 and 1874 respectively, and Russia's decision to cancel a contract for the delivery of the S-300 air defense system to Iran.
- We have done all of this without compromising our principles in particular
  our steadfast commitment to the sovereignty and territorial integrity of all of
  the nations of Europe.
- And thanks to the work of the Bilateral Presidential Commission and its 18
  working groups, our engagement with Russian society is paying important
  dividends as well. Polling now indicates 60 percent of Russians have a
  positive view of the U.S., a figure not seen in nearly a decade.

This brief *tour d'horizon* of the U.S. agenda with Europe demonstrates that we work together closely with Europe on nearly every major issue, both internationally and within Europe. Whether the issue is promoting democracy in Europe's east or south, advancing energy security for the whole continent, or contributing to the NATO effort to secure Afghanistan, the energy, ideas, and commitment of Europe is something we look to and rely upon in pursuing our common goals.

As you can see, the transatlantic partners have been very busy. But appropriately so — we have an extremely full U.S.-Europe agenda because we have so many pressing challenges in the world today, and close transatlantic cooperation is the indispensable starting point in addressing all of them.

There is much work to be done to translate this agenda into concrete steps toward the security and prosperity of both Europe and the United States. This is not easy, particularly at a time of budgetary austerity all across the industrialized world. We will have to adapt creatively to this new reality by finding ways to make our collective defense spending smarter and more efficient. We will need to reform

NATO and streamline its operations, as we and our NATO allies pledged in the recent NATO Strategic Concept. We will have to find ways to advance NATO-EU cooperation so that the full resources of both institutions can be harnessed most effectively. We have to create a more seamless and market-based flow of energy into Europe and within Europe. If we can do these things, I am confident that the partnership between the United States and Europe — which has achieved so much in the last sixty years — will achieve even greater things in the decades to come.

With that, I'm happy to take your questions.

Mr. Burton. I want to confine everybody to 5 minutes, including myself, because of the time constraints we are under.

You just indicated, Secretary Gordon, or Dr. Gordon, that allies like Lithuania, Latvia, and Estonia haven't been hurt because of our relationship with Russia. And there is a great deal of conjecture about that. So I would like for you to respond to that question.

I would also like to know if you could give us an update on the tension between Georgia and Russia, since that whole area is of great concern to us. And with the Olympics coming up, we would like to see what the future holds.

Mr. GORDON. Sure. Thank you, Mr. Chairman.

I mean, the Baltic states should obviously speak for themselves and their views of the reset and our relationship with Russia, but our sense is that they are satisfied that as we pursue a better relationship with Russia, there are benefits to their security as well. And I said in my statement that we have pursued this relationship with Russia out of our common interests. We feel that we do have some overlapping interests with Russia on nonproliferation, terrorism, containing Iran, Afghanistan, and that is to our mutual benefit.

The part of it that we are equally insistent on is that none of it compromises in any way the view that Vice President Biden outlined when he first publicly used the word "reset" at the Munich Security Conference in 2009; that the states of Europe have the right to join the security alliance that they choose, and that the Baltic states have chosen to join NATO; there should be no spheres of influence within Europe. And we have exercised that policy through our strong support for Georgia.

I mentioned our support for Georgia's sovereignty and territorial integrity through our determination to continue to support the defense of Europe through missile defense deployments and NATO

enlargement.

Mr. Burton. Your meetings and the Secretary's meetings with the Russians, have they gone specifically into the issues that we just outlined? I mean, because the information that I get is there is continued tensions and pressure there, and that Russia continues to push these countries pretty hard.

I just wondered, is the administration doing anything to let Russia know, especially in exchange for some of these treaties that we have made—some are questioned by many of us in Congress—that

they do not try to expand their sphere of influence like they did back in the old  $USSR\ days.$ 

Mr. GORDON. Yes, Mr. Chairman. I can assure you that both publicly and directly, privately with the Russians, we make the same points.

Mr. Burton. Are you making any progress?

Mr. GORDON. Yes, I think so. I think that the overall atmosphere with Russia is better. I think there is less of a zero-sum attitude among Russians. I would encourage you to look at some of the very interesting public opinion polling coming out of Russia about Russian views of the United States and Russian views of NATO.

Mr. Burton. Well, since I want to ask you some more questions during my time, if you could forward any information like that, that I could read, I would really appreciate it.

Russia continues, as I understand it, to give Iran technology that is of great concern to us and has been doing it for a long time, and, you indicated, that Russia was working with us in a more compatible way. It still bothers me that they are doing business with Iran at a time when we have got sanctions against them and most of the free world does.

Mr. GORDON. I did note that cooperation of Russia with Iran was one of the things that we felt was moving in a positive direction over the past year or so.

Mr. Burton. What does that mean?

Mr. GORDON. Well, it means that they supported and voted with us on the Security Council Resolution 1929, which is the most aggressive set of sanctions that the international community has ever put on Iran; that whereas in the past, my bureau they had signed a deal to send S-300 air defense systems to Iran, which we have considered a potential threat, they stood down on the sale and publicly announced that in the wake of the U.N. Security Council Resolution that they joined us in supporting, that they won't do that. We feel that is very important progress.

Mr. Burton. Well, it does sound like progress. Are they still doing business with and selling technology to Iran and other mate-

rials that might be of interest to us?

Mr. GORDON. In terms of anything that would assist the Iranian nuclear program, we believe that they have absolutely abided by Resolution 1929

Mr. Burton. You believe; you don't have any guarantee of that? Mr. Gordon. We don't have any evidence that they have——

Mr. Burton. Does our intelligence indicate that—our intelligence agencies indicate

Mr. GORDON. We don't have any evidence that they have not been abiding by-

Mr. Burton. Well, if you do have any, could we have that forwarded to the committee, especially if it is classified.

I have one more question and then I will yield to my colleague. What is the status of the no-fly zone regarding Libya as far as our allies are concerned? Are they willing, able, and ready to assist us if we need to impose that kind of a situation on Libya?

Mr. GORDON. As Secretary Clinton has pointed out, this is something that has been under active consideration both within the United States and with our allies. Just today in Brussels was a NATO Defense Ministers meeting. Last week NATO agreed to proceed for planning for a potential no-fly zone should our leaders decide that it would be effective in our interest to pursue, and Secretary Gates and his counterparts discussed that at NATO today. No decisions were taken and no decisions were meant to be taken.

Mr. Burton. Well—I will yield to my colleague. Let me just end by saying people are getting killed over there every day because they are fighting against Ghadafi for freedom. So I hope we will speed up the process.

Mr. Meeks.

Mr. Meeks. Thank you. Again, thank you for your testimony, and you have a very ambitious, I think, agenda and priorities. And one of the questions I have: Are we able to provide the support to strengthen these developing democracies, especially in Central Asia, or to encourage the democratic initiatives in Belarus and others; especially given what had been proposed in cutbacks through the CR and in the budget next year?

One of the things that we have noticed is that our allies in Britain have done, and they are suffering from the same kind of fiscal problem that we have, they have not cut their foreign budget at all and continue to move forward. So how are we going to do all of these things we are talking about given what the budget realities may be that we are looking at right now?

Mr. GORDON. Thank you, Congressman Meeks, for raising that question which is vitally important, and it allows me to say how important it is that we maintain our assistance programs to these

parts of Europe.

As the chairman pointed out in his opening statement, we have indeed proposed for the 2012 budget a 14 percent cut. The President has asked all agencies to tighten their belts. We know how rigorous the budgetary picture is and we have done just that and are really looking very carefully at our assistance across the board in Europe, Eurasia, and Central Asia, and we have proposed what we think is a significant cut.

But we also need to underscore how important it is to maintain these assistance programs. It is not simple generosity, but it is in the core U.S. national interest to sustain the democracies that we have promoted for 20 years and who are now our partners.

If you just take the countries in the part of Europe that are receiving our assistance in Central and Eastern Europe, they are contributing some 10,000 troops to Afghanistan because they are now more stable, democratic and capable allies who have joined the EU and NATO, and that investment is paying off. It is also part of the world where there are ongoing risks of narcotics trafficking, trafficking in persons, nonproliferation, and our assistance there helps secure our national interest by helping us to fight those problems as well.

And finally, our assistance to these areas as they contribute to stability and prosperity helps create the growing economies that end up buying our goods and allowing us to export. So we want to be careful, even as we do tighten our budgets and make sure that all assistance is well spent, that at the same time we don't sacrifice long-term interests for the sake of short-term cuts.

Ambassador Blake. Let me just add on Central Asia, I think it is just to echo what Phil said, I think it is absolutely critical that we maintain our assistance to Central Asia at this particular moment.

Let me give you a few examples of how our aid is really helping. First, as I mentioned in my testimony, all of these countries are providing assistance. Many of them are helping the Northern Distribution Network. Others are providing electricity in Afghanistan, which is a very, very important part of the stabilization effort. And then others are providing things like scholarships and so forth.

Secondly, several of the central Asian countries are quite unstable and face internal threats, particularly Tajikistan. That is our second largest form of assistance in Central Asia, and our assistance directly addresses the roots of poverty and the roots of instability and the isolation, the poverty, the degraded health and education systems, the poor governance, corruption. I think all of these will really make a difference. It is very, very important to continue those programs.

Lastly, I think our assistance was quite important in one of our signature democratic successes, which was the emergence of a parliamentary democracy last year in Kyrgyzstan. And our assistance, I am really proud to say, played an important role in that. We funded candidate debates, we helped the police to understand how to better manage the whole process so that they could do this in a way that peaceful democratic elections would result. That did hences

We provided extensive training and monitoring in vote tabulation. As a result of that, these elections came off very peacefully and they were judged free and fair. Our assistance is well spent,

well targeted, and definitely should be maintained.

Mr. MEEKS. Let me just ask this question real quick in the time I have left. And I think, as Mr. Engel has stated earlier, one of the things that I think is important when we talk about what is happening in Northern Africa is that previously we got stuck with going it alone and disregarding our allies. In fact, that is the last time that we had trouble with a number of our longstanding allies in Europe, because we didn't consult them and they looked at us as though we don't consider them or they became valueless to us.

So my hope is, and I think that as we are doing this, have we talked with our NATO allies now, trying to figure out what they are doing and what we can do together for the betterment of all of us?

Ambassador Blake. Well, let me just speak for the Central Asia. Last year, when we ramped up our democracy assistance to Kyrgyzstan to help prepare for the elections, we closely coordinated with the EU, with the OSCE, the Organization for Security and Cooperation in Europe, and with other key donors to make sure that we weren't duplicating efforts and, in fact, we were all working together as one team. I think that was very, very effective. And we are doing that across the board. We are doing that in Tajikistan as well, where we found that in fact Tajikistan on a per capita basis gets less assistance than many of the sub-Saharan African countries.

Mr. BURTON. If you could send additional information to Congressman Meeks, it would be helpful.

Ambassador Blake. Sure.

Mr. Burton. I am trying to make sure everybody gets to ask questions.

Go ahead.

Mr. BILIRAKIS. I have one question. Thank you, Mr. Chairman. Thank you so much for your important testimony today. As cochair of the Hellenic Caucus and as a strong advocate of the State of Israel, I have been working enthusiastically to enhance the bonds between the two countries. As such, I was pleased that Cyprus and Israel signed an agreement delineating the exclusion of economic zone just last year. The agreement allows these two neighbors to forge ahead in the search for energy sources in the eastern Mediterranean.

Recently discovered evidence of major gas finds off the shores of Israel and Cyprus have been very promising. Given the importance that we all attach to the need for the diversification of sources and routes of energy supplies, this is a significant and timely development. I am sure you will agree.

Not everyone was pleased, however, after the EEZ was made. Turkey expressed dismay and suggested that such a bond between Israel and Cyprus was not lawful. Will you confirm that it is the right of the two countries to proceed with exploration without interference from a third party?

Mr. GORDON. Thank you. We are also encouraged by the development of ties between Cyprus and Israel. I was in Athens just this week and heard about those positive developments, and I was in Nicosia the week before and heard much about the energy developments, which we think are a positive thing.

We are also encouraged that an American firm is playing a major role in renewable energy in this development, and we support such development to promote energy diversity in Europe and relations between Cyprus and Israel.

Mr. BILITAKIS. The two countries have the right to proceed; is that correct?

Mr. GORDON. As far as I understand the two countries have the right to proceed.

Mr. Burton. We have been  $7\frac{1}{2}$  minutes on the clock. Do you have a question?

Mr. SIRES. Could you describe to me to what extent European countries are implementing their sanctions on Iran?

Mr. GORDON. As I noted in my testimony, Iran is one of the examples of how our cooperation has progressed. As I noted, in addition to supporting the additional—the U.N. Sanctions on Iran, UIVSCR 1929, the EU separately passed complementary sanctions. And all evidence we have is that they are implementing those sanctions vigorously and cooperating with our own national legislation in terms of sanctions on Iran.

Mr. SIRES. Can you talk about the impact that the EU defense budget cuts are going to have on NATO and our relationship? Many people are concerned it will wind up on us to carry NATO. Can you talk a little bit about that?

Mr. GORDON. We have consistently underscored the importance of maintaining significant defense spending as we face all of these challenges. We talk about Afghanistan, Pakistan, Iran, Libya, Egypt. The world faces significant instability and it is not a time for countries to be getting out of the defense and security business.

We have encouraged NATO allies to spend around at least 2 percent of their GDP on defense. And I have to say not a whole lot, or many of them, are falling short of that goal. So we are in constant discussions with them, and I can assure you that Secretary Gates, today in Brussels, will have raised that issue as well.

Mr. SIRES. Is there concern about the U.K. and Germany to carry

the brunt of it?

Mr. GORDON. Even some who have traditionally been in the forefront, everyone is facing tight budgets, and obviously we understand that. We are, too. We are looking carefully at our defense budget. But we are also collectively reminding ourselves that in this unstable world, countries need to maintain capabilities.

Mr. Burton. We have about 5 minutes. We will come back after the votes. I hate to keep you gentlemen here. We will probably be about 25 or 30 minutes. I apologize for that, but we shall return.

[Recess.]

Mr. Burton. First of all, I apologize because we had so much going on over there. There is one thing about being in the Congress, like being in the agencies of government, your life is not your own. Why does everybody want this job? I don't understand it.

While we are waiting, maybe you can elaborate on where our allies stand on the no-fly zone. I know there has been discussions. But every day that we wait, those people are firing into the air with weapons that won't reach a jet. And I also would like to know where those planes are coming from. I have been told by some people in the military that those planes are coming from Syria, that Syria is providing some of the jets that are doing the attacking of the civilians on the ground. If you could give me a little enlightenment on that, I would appreciate it.

Mr. GORDON. Picking up on what we were discussing earlier, I did say that this was something under active consideration both here and with our allies. At NATO today, defense ministers agreed on certain principles as we think about options before us, and they agreed that for NATO to act there would have to be a demonstrable need for NATO, there would have to be a clear legal basis for action, and there would have to be regional support. And that is one thing that we have put a significant emphasis on as well. We want to do this together with partners and we don't want to go it alone. The regional partners and our NATO allies would be critical in any type of enforcement operation.

So on the specific question of the no-fly zone, as I said, it is something we are actively studying and NATO is actively planning for so that our leaders, if they choose to move in that direction, will

know what the options are.

As for Syria, I have no information of outside planes, but I would defer to colleagues covering the Middle East and North Africa on that question.

Mr. Burton. We will check on that. When we talked the other day, Secretary Blake, about Kazakhstan and Uzbekistan and all

the area out there, there is only one democracy, true democracy, and that came about as a result of the revolution. I think it was last April.

Ambassador Blake. Correct.

Mr. Burton. Eighty-nine people were killed. And the President

was very engaging, the lady.

Can you give us an update on those other surrounding countries? I think next week I am having a meeting with the Ambassador from Kazakhstan and that certainly doesn't appear to be anything like a democratic country. And I would like to know your analysis of that while we are waiting on my colleagues.

Ambassador Blake. I would say that, as you say, Kyrgyzstan is definitely the country that has made by far the most progress with these free and fair elections that took place and now has a parliamentary democracy there. I think Kazakhstan is the next furthest along in terms of progress they have made.

Mr. Burton. What do you mean furthest along?

Ambassador BLAKE. I think they have a pretty active civil society that we meet with regularly. The civil society has a role now and is consulted on, for example, draft legislation. And there are elections that do take place. But the opposition is very weak.

Mr. Burton. What is the percentage that the winner gets?

Ambassador Blake. Exactly. Very high.

Mr. Burton. 98 percent?

Ambassador BLAKE. I don't know if it is that high. We will see. President Nazarbayev could have an election coming up now on April 3rd. So we will see. But we and the OSC and others will be sending monitors there to try to ensure a fair electoral process. And I think there is a reasonably good chance there will be a fair process.

In other countries, I would say there are considerably more concerns. All of these countries are still led by leaders who were part of the ex-Soviet Union. They are frankly suspicious of democracy in some cases. And many of them were, I think, concerned about what happened in Kyrgyzstan and afraid that it was going to cause unrest in their own countries. We didn't see that.

But I can assure you, Mr. Chairman, that democracy and human rights and religious freedom and trafficking in persons are all very important parts of our dialogue with each one of these countries. I think now we have gotten to the point where we have very good conversations about these things. They don't resist having those talks. But I have to say we haven't made too much progress other than Kyrgyzstan. And partly that is because they are afraid of the situation in Afghanistan as well. They feel that they need to maintain very tight controls because of the situation there.

So this is hard. This is something that we are working hard on. We have tried, frankly, to try to leverage the situation in Tunisia and Egypt, to make the case to them that all leaders around the world need to study very closely what has happened in Egypt and Tunisia. And all of them need to be sure that their political and economic systems respond to the aspirations of their young people and that they address things like corruption.

Mr. Burton. Well, one—

Ambassador Blake. This is again a very important part of our dialogue.

Mr. Burton. One more thing and then I will yield to my colleague, Mr. Engel. You know we are going to go over there because at your suggestion, we really need to get over in that area, which is 9 million miles from here, but we are willing to—

Ambassador BLAKE. It is worth it. Mr. BURTON. I hope the food is good.

Now, you talk about Kazakhstan. Can you tell me a little bit about Turkmenistan and Uzbekistan, as well as Tajikistan as far as the totalitarian aspects of those governments? And the other part of that is, do the radical fundamentalist Muslims, like al-Qaeda and the Taliban, do they have any influence in those areas? And if so, how much?

Ambassador Blake. I would say that there are groups that are affiliated with al-Qaeda, like the IMU, the Islamic Movement of Uzbekistan. They very much target these governments, particularly Uzbekistan, but also to a more limited extent Tajikistan. And there are other groups that are based in Pakistan particularly that are actively seeking to undermine these governments. So an important part of our dialogue also with these countries is to help with border security, counternarcotics, and other forms of counterterrorist assistance. Because as they are helping us in Afghanistan, they have become more of a target in terms of retribution from some of these groups. So this is an important part of our cooperation with these countries and you will see that reflected in our assistance priorities.

Mr. Burton. One more thing real quick. And that is Iran borders Turkmenistan and Afghanistan as well, as you know. And that to me sounds like it may be one of the first targets, if it isn't already a target, of the Iranian Government. Do you see any indication that they are moving aggressively north there?

Ambassador Blake. I don't see any indication of that, in part because Turkmenistan has maintained a policy of what they call positive neutrality and they try to again stay very neutral in all of these various territorial disputes and maintain good relations with all of these countries. They do implement the U.N. sanctions against Iran. But at the same time, since they have a very substantial border with Iran, they have to maintain a dialogue with them. And for that same reason, they are more careful about what they do with respect to Afghanistan. As I say, they have been providing electricity and things like that. That is mostly what they do in terms of support for efforts there.

Mr. Burton. Mr. Engel, do you have some questions?

Mr. ENGEL. Yes, sir, Mr. Chairman. Thank you. Thank you very much. In my opening remarks, I mentioned the ongoing talks between Serbia and Kosovo. I frankly am happy. I hope that these talks will eventually be a basis where the two countries can reconcile. Last month I wrote a bipartisan letter to President Obama, cosigned by many members of this committee, bipartisan—I think Mr. Burton signed it as well. I may be wrong, but I think he did—urging that the United States make Kosovo and the southern Balkans a priority. The letter said it is important that we play a leading role in any talks between Serbia and Kosovo and that we work

with our friends in the EU to ensure that Kosovo has a future which will allow integration into the key Euro-Atlantic structures. I have no objection to Serbia joining the EU. I just want Serbia and Kosovo to join the EU. And I don't want Serbia to go into the EU before Kosovo because then Serbia could block Kosovo, as is happening in the United Nations now.

So could you please talk about that, Secretary Gordon? The Serbia-Kosovo talks just started and Deputy Assistant Secretary Coun-

tryman is there. So tell us all about that.

Mr. Gordon. Thank you very much for raising this issue, and I think I can confidently tell you it is indeed a priority of the administration, something we have focused very heavily on. You mentioned the talks that are underway this week. And like you, we are encouraged by this. This is the first time that the leaders—that representatives of these countries have sat down at a table since the conflict and started to work practically on the issues that they need to sort out to move forward. Some fundamental differences obviously remain. But the first step in the process is to engage and to start to take steps and improve the lives of people in both countries.

So we are encouraged by that. We are also involved. You said you thought it was important for the United States to be involved. We have been very much engaged from the start. These are EUfacilitated talks. And that is appropriate, as you said, the big factor in this, an incentive for both countries to move in the right direction of EU membership. We find that appropriate.

But as I said, in my opening statement, we work very closely with the EU across the board and certainly on this issue, as you noted, Deputy Assistant Secretary Countryman is there now.

It is worth underscoring the background to these talks as well, which stem in part from the results of the International Court of Justice opinion last summer that ruled consistent with what we argued before the Court, that there was nothing in Kosovo's declaration of independence that was inconsistent with international law. And in the wake of that opinion, which we wholeheartedly agreed with, the European Union took the lead and we were pleased that Serbia agreed in the context of a U.N. General Assembly resolution to have these EU-facilitated talks with strong support from the United States.

So that is pointing in the right direction. We are not at all naive about the difficulties that remain. But getting the countries to sit down and start working the practical issues together is a very positive thing.

Mr. BURTON. Would the gentleman yield?

Mr. Engel. Certainly.

Mr. Burton. Because I don't want to get off this subject since you have already raised it. We were just over there and we were in Serbia, Montenegro and Croatia. And one of the big concerns that the Serbs have is that in the northern part of Kosovo and the southern part of Serbia, you have some real flash points. There is a lot of Serbs who live in northern Kosovo and the monasteries and churches there have been attacked in the past and destroyed as they have been in Bosnia. And the reason that the Serbs have been so concerned is the gentleman who is in charge of security there

for Kosovo, as I understand it, was one of the leaders of the movement that did some destruction of churches and monasteries. And the only reason I bring this up is because stabilizing that region is, as my colleague has just said, is extremely important. And I would just like to know if there has been any progress made between the two.

I know the Serbs don't even want to recognize Kosovo yet because that is still an undecided area, it is still in question. And if Serbia is going to become a member of the EU, there is going to have to be a resolution of that problem. And Serbia is scared to death that those people who live in northern Kosovo are going to be under attack and those churches and monasteries will.

So as a follow-up to my colleague—and I will yield back to him— I would like to know what we are doing and what can be done to

make sure that there is stabilization in that area?

Mr. Gordon. Absolutely. Thank you, Mr. Chairman. That is an important issue to us and to the parties. You are right that there are significant numbers of ethnic Serbs who live in northern Kosovo. It has always been our view and it is the view of the Government of Kosovo that there should be a significant amount of self-government and also—and this was critically important from the start—that all of the Serb religious and cultural sites should be preserved and protected. And we have played a role, the international community in our presence has played a role in that process, but we also think the Government of Kosovo is committed to that as well, ensuring that these sights—that Serbs have access to these sites and that, as I say, they are preserved and protected. That has been a fundamental premise of ours going in and it remains so.

Mr. Burton. If I might follow up just real quickly and then I will yield back to my colleague. I think it is important that while we are involved in negotiations, even though we are not part of the EU, we do have some influence and we are going to be going over to Brussels before long to talk to our counterparts in the EU. But it seems to me that there ought to be a provision that is raised by the EU members that if there is violence—and there has been attacks on the Serbs in northern Kosovo and more destruction of churches and monasteries—that will weigh heavily on the decision to become a part of the EU.

I yield back to my colleague.

Mr. ENGEL. Thank you. I would just like to mention that I agree with Mr. Burton and I disagree. First of all, attacking anybody's religious institutions is abhorrent and should be condemned by everybody. I have been a supporter of Kosovo independence for the 22 years I have been in Congress. And early on, I was talking about monasteries in Kosovo have to be protected just the way frankly mosques needed to be protected when Milosevic, the head of Serbia, ruled Kosovo because you can point out tit-for-tat that is the Balkans. I think that these should all be preserved. And just the way there are Serbs in northern Mitrovica, which is at the northern part as you mention, Mr. Burton, there are also a number of Albanians in the Presheva Valley, which is in Serbia, which is just below. Unfortunately, in the Balkans, you always have a situation. And my feeling is once you start transferring authority in the Bal-

kans, where does it end? You have got Republika Srpska, you have got the Croats together in Bosnia, you have got a huge Albanian presence in Macedonia. And where does it end? I would hope that Kosovo will remain a multi-ethnic community with an Albanian majority, of course with minority rights. And the new government that was formed in Kosovo just recently, the Serb parties are an integral part of that majority in that government. And we have found that the majority of Serbs in Kosovo don't live on the northern stretch. They actually live throughout the country and they are participating more and more in the fabric of Kosovo's democracy. So I would hope that would be true ultimately for the Serb popu-

So I would hope that would be true ultimately for the Serb population in North Mitrovica, that they would see that there is room for them to participate democratically in Kosovo because after all that is where they live. But when we talk about the Balkans, it al-

ways goes back generations and generations.

So the point I wanted to make, Secretary Gordon—you and I have talked about this. And I really just want to commend you and the administration for being on top of it—is that I have felt—and I know Mr. Burton agrees with me because we have talked about this—that when the United States is sort of not totally engaged suddenly in Europe—it happened in Bosnia, as far as I am concerned because we weren't engaged until we had the bombing, and it happened in Kosovo in 1999. And our strong presence just needs to be there. And again, I want fairness for Serbs and fairness for Albanians and fairness for Croats and everyone else. But I think we have to be there. Because if we are not, we are not going to get fairness.

Mr. GORDON. Thank you very much. I would like to say, first of all, thank you for your support on these issues. We have made progress on the issue of international recognition, in part, thanks to your vigorous efforts, which match ours. I also want to say that what you have described in terms of representation for the Serbs in Kosovo is our policy. We were encouraged when Kosovo-because we want to support a multi-ethnic democracy in Kosovo and elsewhere—when Kosovo moved to organize voting in municipalities that were majority Serbs, as you know very well, there was a lot of skepticism about whether the Serbs would vote. They did vote. They elected mayors. And I have had the chance to meet with those mayors, as has the Vice President and the Secretary of State, on trips to Kosovo. And it was very encouraging to see that in this country, a minority ethnic group can feel it was represented and have a voice in the democracy. And that is exactly what we wanted to see. And, so it is what we would like to see in North Mitrovica as well.

My last point, if I might just again agree with you on the question of engagement, even with lots of other important things going on in the world, the United States needs to be present. And I made a reference to the Vice President traveling there, the Secretary traveling there, to Deputy Secretary Steinberg, a number of times and I have been there multiple times, including with them, we are very much focused and engaged.

Mr. ENGEL. Thank you. I am wondering if I could switch to another topic. And that is Turkey. I know it was mentioned before by—Mr. Bilirakis had mentioned some concerns. And I do have a

concern about Turkey's switch when it comes to Israel. Turkey at one time, as we know, was aligned very strongly both in terms of military and other ways with Israel, and lately Turkey has been very hostile. I wondered if you could just comment on that. We all know what has happened. Some of us met with the Turkish Foreign Minister a couple of months ago. It was very unsatisfying, I must say. And it just kind of annoys me with what I view as hypocrisy—it is not a very good diplomatic word. But Turkey condemns Israel for attacking terrorists in Gaza when Turkey feels it can just go over the border into Iraq and get at what they feel are Kurdish terrorists. They condemn Israel for what they view as occupation of lands. Turkey has occupied Northern Cyprus since 1973. And that Turkey talks about apologies for the flotilla. They want apologies from Israel. We can't get Turkey to apologize for the Armenian genocide.

So I think that the policies of Turkey and their actions are very

troublesome, particularly since they are a NATO member.

Mr. GORDON. Congressman, we regret the recent deterioration in relations between the two countries. A positive development in relations between Turkey and Israel in the 1990s is one of the more encouraging things we saw in the Middle East throughout that period. The majority Muslim country, the Jewish state reaching across and expanding military cooperation, intelligence cooperation, economic cooperation, tourism was all flourishing. And that was a real signal throughout the reason that countries, regardless of the majority of religion or ethnicity, could cooperate.

Relations have taken a significant turn for the worst. They were already afraid somewhat over differences in the region and on Turkish position on Gaza and on Iran, but they really took a turn for the worse, as you pointed out, over the Mavi Marmara incident. And we have encouraged both sides to talk directly. They have a very different view of what happened. But they shouldn't let that different view stand in the way of—as I say, it was a historic relationship. And we have encouraged the two sides and they have had direct talks, which they need to do, to not let this incident stand in the way of a critically important relationship in the region.

Mr. ENGEL. My last question, if I might, involves—when the Soviet Union fell, I was one of the people on the committee, and again as was Mr. Burton, because I remember talking about it, that we encouraged NATO to expand. And I thought that the sooner NATO did that, the better because in X amount of years you don't know, with Russia, whether it would be possible. And it seems like the last two countries that have been talked about possibly getting in NATO were the Ukraine and Georgia. I know there has been changes in Ukraine and Georgia. And, of course, now with the situation with Russia, it seems almost like an impossibility. If we hadn't brought the Baltic countries, Lithuania, Latvia and Estonia into NATO when we did, does anyone think that we would have been able to bring them into NATO now? It would have been impossible.

So I just wanted to ask you for your assessment of both Georgia, I just met with the new Georgian Ambassador, and Ukraine, and what is going on there. I know Georgia is helping us in a lot of different ways. I believe in Afghanistan and in other ways. And the

Ukraine seems to be a country that is sort of ripped in half. I won-

der if you can comment on those two.

Mr. GORDON. Looking back, I couldn't agree with you more that NATO enlargement is a positive thing. We did the right thing. We brought these countries into the alliance. There were questions about it at the time, but I think we can confidently say, first of all, it didn't, as many feared or speculated, ruin our relationship with Russia. But on the contrary, it has helped stabilize and consolidate democracy throughout Europe's East. It is true for the Baltic states, for the Central Europeans and those who have joined NATO since the end of the Cold War, most recently Albania and Croatia expanding NATO's—under this administration—expanding NATO's reach into the Balkans.

Ukraine and Georgia, I think, are very different cases. Both have relationships with NATO. There is a commission for each, and we have a process going on with both countries to help them with defense reform and strengthen their relationship with the alliance and their contributions, particularly in the case of Georgia, to Afghanistan, which we very much welcome. Ukraine is now less interested, under this government, in joining NATO than it was under the previous government. And our view is simple. We are very clear that countries in Europe have the right to choose their own security alliances. And when they meet the criteria, if they are interested and NATO would be strengthened by their membership, they should join. But if they are not interested, it is the prerogative of the government to decide not to pursue that.

So we still have a NATO-Ukraine Commission that meets regularly. It is going to meet in April at the ministerial in Berlin. And the same is true on Georgia. The NATO-Georgia Commission will meet in Berlin. We support Georgia's aspirations. And when Georgia has met the criteria and allies have a consensus to bring Georgia

gia in, it should be allowed to join NATO as well.

Mr. ENGEL. Thank you.

Mr. Burton. Thank you very much. Mr. Engel, you asked some very good questions and I want you to know that because of your eloquence, we allowed you triple what the other members were getting.

Mr. ENGEL. You are a good man, Mr. Burton.

Mr. BURTON. Yeah. Thank you. It is easy to get accolades from him, isn't it?

Mr. Deutch.

Mr. DEUTCH. Thank you, Mr. Chairman. In light of that, I will claim a third less time.

Secretary Blake, I would like to discuss the influence of Iran—it is widely known they are trying to gain influence—there was a meeting just days ago, I think, between the Kazakh Ambassador and the Iranian Prime Minister. Turkmenistan and Azerbaijan are the places where it has widely been reported that the Iranians exert some influence. If you could speak to the extent of these efforts and the extent to which they have been successful as well?

Ambassador Blake. Thank you very much, Mr. Deutch. I would say that Iran is actually not a major player in Central Asia. By far, the more influential countries are Russia and China and now I would say the United States as well. I think it is partly because

Iran is very focused on kind of challenges inside its own country. But I will say that all of the countries in Central Asia share our concern about Iran's potential acquisition of nuclear weapons, and I think they would consider that a very destabilizing development were that to occur.

So I think they quietly support what we are trying to do. Iran has some historical ties to Tajikistan, so you will see from time to time visits taking place between those two countries. But again, I think in terms of our own diplomacy, we are focusing very much on coordinating very closely with the Russians, and I think that there has been quite good cooperation between the United States and Russia in Central Asia.

And then we are trying to do more with the Chinese as well. I am going out myself to China to have consultations about Central Asia and South Asia with the Chinese to hopefully get them to particularly help our efforts in Afghanistan, but also just to learn more

about what their policies and plans are in Central Asia.

Mr. DEUTCH. Let me come at it in a different direction then. I understand that the focus is on Russia and that the Iranians are concerned about what is going on in their country. So let us talk, then, about the support we are getting from those countries and the concern that you expressed, that they share with the United States about the Iranian nuclear program.

Ambassador Blake. I cannot really say that they are too actively involved in pushing this issue. I think they are content to let the P5-plus-1 and others carry the ball on this. They have a strong view that other countries should not get involved in the internal affairs of other countries on matters like this. But again, I think they have been—all of them have respected and implemented U.N. Security Council Resolution 929. This is something that we follow

very, very closely.

And we are encouraging developments like the Turkmenistan-Afghanistan-Pakistan-India pipeline because that is a very good alternative to the Iran-Pakistan-India pipeline. So this is something that has just come about. You may have heard that the Turkmenistan President, President Berdymukhammedov hosted a meeting in December where they had achieved an intergovernment memo agreement on this pipeline and they are moving ahead on that. So again, I think that could be a very welcomed development for the region and can provide a much needed source of gas for India and its growing economy.

Mr. DEUTCH. One more question, if I may, Mr. Chairman. Secretary Gordon, last summer, the EU adopted this series of sanctions to confront Iran's intransigence. In September, the Treasury Department sanctioned the Iranian Bank, EIH, which is incorporated in Germany. To this point, it is my understanding the Ger-

mans have failed to act against EIH.

Can you tell us whether they are pressing Germany to act and will the United States sanction foreign banks and companies that continue to do business with EIH?

Mr. GORDON. We have raised this matter with the German Government, which under its laws has no basis for shutting EIH. But we believe that as a general matter they are fully cooperating with

us on stopping banking transactions with Iran and that EIH, while not closed in Germany, has significantly been contained.

Mr. DEUTCH. Thank you. I yield back.

Mr. Burton. Let me make one real brief comment, and then I yield for one more question from my good buddy here, Mr. Meeks. You said Iran is mainly concerned with problems inside of their borders.

Ambassador Blake. With respect to Central Asia.

Mr. Burton. Well, I don't buy that. They are working with Chavez. They have got flights going back and forth every week. Supposedly they are talking about buying uranium from Venezuela. There is also indications from sources I have—I talked to Ollie North last night, who is over there all the time. And there is indications that Syria at the behest and with Iran's blessing is working over in Libya with their weapons, with their airplanes. And so it is hard for me to believe that Iran, who has I think not only regional but possibly global goals, that they are not concerned about that entire region.

Ambassador Blake. Sorry. I wasn't clear, Senator-Mr. Chair-

man.

Mr. Burton. You can call me Senator. Well, I don't want to be compared to the lower House over there on the other side. But I was a state Senator. So I will allow that. Go ahead.

Ambassador Blake. Mr. Chairman, I meant that they were not involved really in Central Asia at all. Obviously, we have tremendous concerns about Iran's support for terrorism around the world but particularly in the Middle East. We have tremendous concerns about their destabilizing efforts in many, many parts of the world, but not in Central Asia. They really aren't that big—

Mr. Burton. Well, I am going over there. I hope you are right and I hope you go with me. Are you going to go with me when I

go over there?

Ambassador Blake. It depends on when you go, Mr. Chairman. Mr. Burton. I was going to have you buy dinner. Can he buy me dinner? I don't think he can. The rules won't allow that.

Mr. Meeks.

Mr. MEEKS. One quick question. I just think—and I also thank you for your testimony and for your time and patience today. The one area that we may have missed and I just wanted to ask that quickly is the question of democratization in the Ukraine. And we know that since the last election, there has been some selective prosecutions of individuals who were with the minority at that point. It was a narrowly won election, some rollbacks of freedom of the press and other things. Could you just give us a quick update on what is going on in the Ukraine?

Mr. GORDON. Absolutely. Thank you, Mr. Meeks. It is something we are watching very carefully. The Ukraine is a big and important country in Europe and when we talk about our desire to see democracy and prosperity spread throughout Europe, Ukraine is a critical piece of that. And I have to say that we have concerns about the direction Ukraine has been heading on the democracy front. The government that came in last year was freely and fairly elected, and it showed that Ukraine could have a transition of power based on democracy and the will of the people, which is exactly the right

thing. And that government stressed the priority and emphasis it would put on democracy.

But there have been questions about reform of the electoral law, about recent municipal elections and also about the issue raised which is the perception of potentially selective prosecutions, and we raised that directly with the Ukranian Government. We have a good and open and transparent relationship with them. We just had a meeting of the U.S.-Ukraine Strategic Partnership Commission, where Secretary Clinton was able to sit down directly with Foreign Minister Gryshchenko and have a good and frank discussion of this very issue. But I can tell you, Mr. Meeks, she did raise it because it is something we are concerned about and we really need to see Ukraine doing the right thing on democracy.

Mr. Burton. Well, I want to thank you very much for your patience, first of all with a broken door and waiting in my office and then coming over here and having to wait for at least an hour for us to get back. I want to thank everybody in the audience for their patience as well. We will be back in touch with you and really ap-

preciate your testimony. We stand adjourned.

[Whereupon, at 5:14 p.m., the subcommittee was adjourned.]

# APPENDIX

MATERIAL SUBMITTED FOR THE HEARING RECORD

## SUBCOMMITTEE HEARING NOTICE SUBCOMMITTEE ON EUROPE AND EURASIA COMMITTEE ON FOREIGN AFFAIRS

U.S. HOUSE OF REPRESENTATIVES WASHINGTON, D.C. 20515-0128

#### Dan Burton (R-IN), Chairman

March 3, 2011

You are respectfully requested to attend an OPEN hearing of the Committee on Foreign Affairs' Subcommittee on Europe and Eurasia, to be held in Room 2255 of the Rayburn House Office Building (and available live, via the WEBCAST link on the Committee website at (http://www.hcfa.house.gov/hearings.asp):

DATE: Thursday, March 10, 2011

**TIME:** 2:30 p.m.

SUBJECT: Overview of U.S. Relations with Europe and Eurasia

WITNESSES: The Honorable Robert O. Blake

Assistant Secretary

Bureau of Central and South Asian Affairs

U.S. Department of State

The Honorable Philip H. Gordon

Assistant Secretary

Bureau of European and Eurasian Affairs

U.S. Department of State

### By Direction of the Chairman

The Committee on Foreign Affairs seeks to make its facilities accessible to persons with disabilities. If you are in need of special accommodations, please call 202/225-5021 at least four business days in advance of the event, whenever practicable. Questions with regard to special accommodations in general (including availability of Committee materials in alternative formats and assistive listening devices) may be directed to the Committee.

# COMMITTEE ON FOREIGN AFFAIRS

| MINUTES OF SUBCOMMITTEE ON                                                                            | Europe and Eurasia HEA                                                                                  | RING       |
|-------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|------------|
| Day Thursday Date March 10, 2011                                                                      | Room                                                                                                    |            |
| Starting Time 2:30 Ending Time 5                                                                      | 5:14                                                                                                    |            |
|                                                                                                       | _to) (to) (to) (to                                                                                      | _)         |
| Presiding Member(s)                                                                                   |                                                                                                         |            |
| Dan Burton                                                                                            |                                                                                                         |            |
| Check all of the following that apply:                                                                |                                                                                                         |            |
| Open Session   Executive (closed) Session   Televised                                                 | Electronically Recorded (taped) Stenographic Record 🗸                                                   |            |
| TITLE OF HEARING:                                                                                     |                                                                                                         |            |
| "Overview of U.S. Policy Toward Europe and Eu                                                         | urasia"                                                                                                 |            |
| SUBCOMMITTEE MEMBERS PRESENT:                                                                         |                                                                                                         |            |
| Dan Burton, Elton Gallegly, Gus Bilirakis, Grego                                                      | ory Meeks, Eliot Engel, Albio Sires, Theodore Deut                                                      | c <b>h</b> |
| NON-SUBCOMMITTEE MEMBERS PRESENT: (                                                                   | (Mark with an * if they are not members of full committee.                                              | )          |
| None                                                                                                  |                                                                                                         |            |
| HEARING WITNESSES: Same as meeting notice a (If "no", please list below and include title, agency, de |                                                                                                         |            |
| STATEMENTS FOR THE RECORD: (List any state                                                            | tements submitted for the record.)                                                                      |            |
| and Eurasian Affairs,                                                                                 | H. Gordon of the State Department's Bureau of Eur<br>obert O. Blake of the State Department's Bureau of | •          |
| TIME SCHEDULED TO RECONVENE or TIME ADJOURNED5:05 PM                                                  |                                                                                                         |            |
|                                                                                                       | Subcommittee Staff Director                                                                             |            |

Questions/Statement for the Record of the Honorable Ted Poe Committee on Foreign Affairs, U.S. House of Representatives Hearing: "Overview of U.S. Relations with Europe and Eurasia" Thursday, March 10, 2011

#### The Honorable Philip H. Gordon:

- 1. How big of a problem are the roughly 15,000 cases of missing persons that are still open in the Balkans? Are these unresolved cases because of government neglect or lack of evidence? What is the risk that still simmering ethnic tensions will escalate into violent conflict?
- 2. On November 15, 2010 EU officials charged at least seven people with participating in an international organ-trafficking network based in Kosovo that sold kidneys and other organs from impoverished victims for up to \$200,000. According to the indictment, the traffickers lured people from slums in Istanbul, Moscow, Moldova and Kazakhstan with promises of up to \$20,000 for their organs. While the ring was first discovered two years ago, the global scale of the network and its victims is still unclear. Are the allegations of organ trafficking in Kosovo true? How widespread of a problem is this?
- 3. Russia and Georgia signed a ceasefire agreement on August 12, 2008 whereby Russia agreed to decrease their troops in Georgia to pre-war levels. However, two and a half years later Russia has still failed to do so. I am concerned Russia is in part maintaining troop levels to keep the conflict ongoing and block Georgia from joining NATO. Germany, France, and Italy have all said that as long as it is involved in an ongoing conflict, Georgia should not be able to join NATO. What is the Administration doing to pressure Russia to abide by the ceasefire between Russia and Georgia? To push our European allies to let Georgia in NATO?
- 4. A Heritage Foundation investigation found that EU's European Instrument for Democracy and Human Rights (EIDHR) gave \$3,643,951 to US-based campaigns against the death penalty. The EU should not be directly interfering in a domestic political debate in America, nor should it be spending European taxpayer dollars to fund EU lobbying on a policy campaign in the US. What is your position on the EU giving millions of dollars to anti-death penalty groups in the United States?
- 5. What is the status of Cyprus-Turkey negotiations? What does the Administration believe is necessary from both sides to reach an agreement in the near future?
- 6. Does the Administration support the Nabucco natural gas pipeline? Has it said so publicly? If so, when? If not, why not?

[Note: No responses were received by the subcommittee to the above questions prior to printing.]

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