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IRAQ'S TRANSITION TO DEMOCRACY

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BEFORE THE

SUBCOMMITTEE ON THE MIDDLE EAST
AND CENTRAL ASIA

OF THE

COMMITTEE ON
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HOUSE OF REPRESENTATIVES

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IRAQ'S TRANSITION TO DEMOCRACY

WEDNESDAY, JUNE 29, 2005

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON THE MIDDLE EAST
AND CENTRAL ASIA,
COMMITTEE ON INTERNATIONAL RELATIONS,
Washington, DC.

The Subcommittee met, pursuant to notice, at 2:17 p.m. in room 2172, Rayburn House Office Building, Hon. Ileana Ros-Lehtinen (Chair of the Subcommittee) presiding.

Ms. ROS-LEHTINEN. The Subcommittee will come to order. Thank you so much for being here with us today, and I thank the Ambassador for his willingness to appear before us as well. In his 2005 State of the Union Address, President Bush underscored that the Iraqi people demonstrated their commitment to democracy by holding the first free and fair election in generations.

Now begins the process of organizing the Transitional National Assembly, forming a government, and drafting and ratifying a permanent Constitution that will be the basis for a fully democratic Iraq.

However, as we mark the 1-year anniversary of the transfer of power to the people of Iraq, if we are to fully grasp where Iraq is now, and where Iraq is heading politically, we must understand what this nation endured under a brutal regime that denied the Iraqi people their freedom and shackled their hopes and aspirations.

Saddam Hussein's terrorist regime wrecked havoc on Iraqi society, and stunted the country's growth and development. The regime destroyed lives as it indiscriminately slaughtered Iraqis, regardless of background, with an estimated 300,000 having disappeared from the time that Saddam took power in 1979 and until his removal almost 25 years later.

Thus, the progress achieved so far by the Iraqi people toward establishing a democratic government just a few short years after the termination of that regime is nothing short of miraculous.

In July of last year, a provisional Iraqi Governing Council was named, and shortly commenced a process of de-Ba'athistification within its rank, authorizing a war crimes tribal for Saddam and his associates, and most importantly preparing for direct elections to choose a new government.

These elections were held on January 31, 2005, for a 275-seat Transitional National Assembly. The turnout for this election was astonishing. Roughly 8.5 million Iraqis risked their lives to participate in the election.

Not only was it a testament to the bravery of the Iraqi people, but it clearly illustrated the innate human desire for freedom, for prosperity, for security, and it marked a rare occurrence in a region punctuated by instability and tyranny.

Challenges remain, but democracy has taken root. Today, the Iraqi people remain engaged in a process that we all hope will result in a unified and democratic Iraq. The deadline for the writing of a new Constitution as delineated in the Transitional Administrative Law is this upcoming August 15th, with a referendum on the document to be held October 15th.

If the Constitution is accepted, Iraqis are to hold elections for a permanent government by December 15th. According to Iraqi observers, this process is likely to focus on the same contentious issues that arose during deliberations over the TAL, and these are the role of Islam, whether or not party militias can continue to operate, and the degree of autonomy for the Kurdish-controlled regions, as well as the related issue of the status of the mostly Kurdish city of Kirkuk.

Some contend that those issues are likely to prompt a delay in the drafting, although Iraqi leaders say that they will meet the deadline. A deal reached in the past week to incorporate more Sunni Arab representatives into writing the new Iraqi Constitution is a reason for encouragement.

Under the plan, the drafting committee will reportedly be expanded to 68 voting seats, with an additional 13 seats in addition to the 2 seats already allotted to go to Sunnis.

Another 10 Sunnis will help draft the Constitution, but they will not have voting privileges on the drafting body. We welcome your insight, Ambassador Jones, on the potential sources of difficulty, on the contentious issues, and the dynamics affecting this specific process, and the overall political development.

Furthermore, we would appreciate it if you would address the overall United States strategy to assist Iraq's transition to democracy. What are United States priorities leading up to the drafting of a new Iraqi Constitution and the new round of elections?

What new efforts and programs aimed at promoting democracy are currently being undertaken and considered? How are our efforts to bring security to Iraq complimenting those efforts, and what is our strategy to assist the Iraqi people in meeting economic challenges that could affect the political process?

Finally, we ask that you address the impact of the trials of former regime officials and specifically the upcoming trial of Saddam Hussein for crimes against humanity.

America's role in Iraq is being gradually taken over by the Iraqis. They are finally beginning to enjoy the new personal freedoms that were forbidden under Saddam's regime. This is not to say that a new Iraqi constitutional government will be a panacea, but it will provide the long-term antidote for the disease of autocracy and terror that has ravaged the Middle East for far too long.

It is a solution that the terrorists and tyrants alike fear, and this is why they maim, and kill—to deny the Iraqi people a democratic future. These agents of hatred and violence understand that the progress achieved in Iraq has had ripple effects throughout the region.

They realized that a democratic Iraq, along with positive developments in Afghanistan, will continue to ignite the forces of freedom and create an environment where oppressors and terrorists cannot survive.

I would like to highlight the sacrifice that our men and women in uniform continue to make to bring freedom to the Iraqi people. We thank you for your service and your courage. I would also like to commend the efforts of American civilians serving in Iraq through the Department of State and other United States agencies.

I know firsthand of their dedication and commitment to a right and just cause through the service rendered by one of my former staffers, Russell—who is embarrassed, and on the row there—Votushac. I finally learned to pronounce your name, Russell. He just returned from an 8-month tour with the Iraq Reconstruction Office. So to military and civilian alike, and we have another wonderful intern who has just come back from active military, Iraq, and you have my utmost admiration and respect. Your efforts are helping to bring about dramatic change, one that will continue to contribute to the long-term security of our Nation and of our allies.

I would like to thank our witnesses for appearing before our Subcommittee today, and I am pleased to turn to the Ranking Member of the Subcommittee, my good friend, Mr. Ackerman, for his opening statement. Gary.

Mr. ACKERMAN. Thank you very much. I want to thank the Chair for her kind words, for her powerful statement, for her leadership, and for scheduling today's hearing. And Russell, welcome back.

The transition in Iraq from dictatorship to democracy would be fraught with peril even in the best of circumstances. But we don't have the best of circumstances. We do have pretty close to the worst. Tribal differences, ethnic differences, sectarian differences, aspirations for Kurdish independence, and a lack of experience with democracy and its institutions all conspire against a successful outcome.

And then there is the insurgency: Sustained, sophisticated, lethal, and anything but defeated. Not the best backdrop against which to draft a Constitution. After what can only be described as extraordinarily successful elections, as the Chair points out, where 8½ million Iraqis participated at the risk of life and limb, it has taken the new Iraqi Government several months of political wrangling to finally establish the membership of the committee charged with drafting the new Constitution.

While it is a sign of progress that at least some Iraqis are resolving political differences without resorting to violence, and it is a positive development that there will be broader Sunni participation in the drafting of the Constitution, the fact of the matter is that we are only 6 weeks away from the deadline by which the Constitution is supposed to be finished.

So that is not only 6 weeks for the drafting committee to decide on its own internal rules and structure, but only 6 weeks with which the same contentious issues that emerged during the drafting of the Transitional Administrative Law, namely the role of Islam, the status of political party-related militias, the degree of autonomy for the Kurdish-controlled regions, and the status of the mostly Kurdish city of Kirkuk.

Some have suggested that the Iraqis exercise the ability to extend the deadline by drafting the Constitution offered by the Transitional Administrative Law. I recognize that the laying of the adoption of a new Constitution in Iraq carries with it the possibility that the insurgency will gain some political momentum.

But I also think that it is worth considering whether or not a document can receive majority support in a referendum, and can be achieved in the time that is left. If the document produced over the next 6 weeks does not have popular participation in its drafting and broad public acceptance when finished, then its success and ours are called into serious question.

I would just note that Afghanistan took 15 months to write its Constitution, and other nations that recently have been involved in writing Constitutions have taken anywhere from 7 months to 4 years.

As I suggested earlier, the Iraqi Constitution is not being drafted in the best of circumstances. On a daily basis, coalition forces, the Iraqi security forces, and innocent Iraqi civilians face a murderous enemy bent on destroying Iraq's opportunity for democracy.

Unlike Vice President Cheney, who is cheerleading from an undisclosed location, the insurgency that I see is anything but in its last throes. The level of attacks has been sustained over time, and they are getting deadlier, and they are getting more sophisticated.

I can only conclude that we are not succeeding against the insurgency, and that our plan for training Iraqi forces and turning the fight over to them is not working. On any given day, no one in our Government, nor I suspect in the Iraqi Government, can tell me or anyone else exactly how many security forces have shown up for work that day, let alone whether they are really trained and ready to take on the insurgents.

Fundamentally, we all agree that in the end that Iraqis will have to be responsible for their own security. But without a more capable Iraqi force, and stronger Iraqi leadership, we will not be able to withdraw United States forces for many, many years to come.

The President spoke last night about the need for us to be in Iraq for as long as it takes to get the job done, and not 1 day longer. But his Administration's inability to put together a coherent plan to produce capable and dedicated Iraqi security forces means that more Americans will be in Iraq for a longer period.

The President is fond of saying that Iraq is the latest battlefield in the war on terror. I submit it is only so because we didn't enter the war with a plan for what to do the day after Saddam's Government fell.

Our failure to secure Iraq's borders and generally provide order during the transition has allowed the insurgents and terrorists, foreign and Iraqi, to coalesce into an extremely deadly force.

Because of that failure by the Administration, the task before us is much more difficult than the President shared with the Nation last night. I want to thank the Chair for holding today's hearing, and I look forward to hearing from our distinguished witness, Ambassador Jones.

Ms. ROS-LEHTINEN. Thank you, Mr. Ackerman. Mr. McCotter.

Mr. MCCOTTER. Thank you, Madam Chair. Mr. Ambassador, first let me begin by thanking you for your service to our country. It is

most appreciated in these trying times. I would like to throw some food for thought on the table, just quickly.

One of the concerns that I have had with reconstruction efforts in Iraq has been while there have been some strides taken, it has been the absence of a transactional benefit to the average Iraqi on the street that would be accompanying the transformational change to a democracy.

Now, I see that we have community action programs that we do try to engage in, but it seems that the emphasis has been very much on the political end, and not so much on the economic end, and the empowerment of the individual Iraqi in the towns.

And my hope would have been that we would have had more concentration on the town councils to emulate what we did so successfully here, would have been to go from town halls to state governments, to a federated system.

Instead, we seem to have gone from a national system down to a provincial system, down to a town council. For example, I think in the numbers that we were presented in our packet, we had about $860 million for private sector employment development in Iraq, which also included $352 million for debt relief for Iraq, which would leave about $500 million for private sector employment development.

It is my concern that if you ask someone to fight for freedom, freedom is an abstract concept if they are hungry. If they have no hope for the future for their families, for their employment, or sustainability of their quality of life.

And I just am not certain that we have done enough with that, and that it has not received the emphasis on the grassroots economic level, or on the democracy-building level that is necessary.

I would also throw out as food for thought something that would tie in with economic empowerment of the individual Iraqi, would be an idea that I have stressed and others have stressed, would be the potential to look at the utilization of Iraqi oil revenues into a revolving fund, whereby portions of those revenues would go per capita to adult Iraqis.

It would be very similar to what we have in Alaska. If one of the problems that we have in rebuilding Iraq is the absence of a per capita income level that could help lead to the development of an economy and the sustaining of that economy, it would seem that the utilization of those revenues would have a very beneficial effect on the average Iraqi.

Those are just two ideas, and I look forward to your remarks, and I would reserve any further questions that I have to the appropriate time.

Ms. ROS-LEHTINEN. Thank you, and we appreciate that you actually read those documents, Mr. McCotter. You are setting a dangerous precedent. Congresswoman Berkley.

Ms. BERKLEY. Madam Chairman, I appreciate your courtesy, but I would like to get a feel for the hearing before I make any remarks. Would that be all right with you? Thank you.

Ms. ROS-LEHTINEN. Thank you very much. Congressman Fortenberry.

Mr. FORTENBERRY. Thank you, Madam Chairman. I would like to pass at this time as well.

Ms. ROS-LEHTINEN. Thank you so much.

Ambassador Richard Jones was appointed Senior Advisor to the Secretary and Coordinator for Iraq earlier this year. A career member of the U.S. Foreign Service, Ambassador Jones previously served as Ambassador to Kuwait from September 2001 to July 2004; and from November 2003 until June 2004, he served concurrently as the Chief Policy Officer and Deputy Administrator for the Coalition Provisional Authority in Baghdad.

Ambassador Jones also served as the U.S. Ambassador to Kazakhstan, and the U.S. Ambassador to Lebanon. You get all the easy cases. Thank you, Mr. Ambassador.

STATEMENT OF THE HONORABLE RICHARD JONES, SENIOR ADVISOR TO THE SECRETARY AND COORDINATOR FOR IRAQ, U.S. DEPARTMENT OF STATE

Ambassador JONES. Thank you, Mr. Chairperson. And thank you for your earlier remarks that you made on our policy, and for those of Mr. Ackerman and Mr. McCotter. I have a longer statement for the record, but I thought I would make a few brief remarks.

Ms. ROS-LEHTINEN. Without objection, we will have it entered.

Ambassador JONES. I am pleased to meet with you today and I look forward to discussing Iraq's progress toward democracy with you. Specifically, I propose to outline our approach to supporting Iraq's democratic transition. In brief, our goal is to help Iraq become a democratic, prosperous, and stable nation.

To achieve this goal, we have developed a comprehensive strategy to provide the Iraqi's with the tools necessary to defeat the insurgency, complete the political transition, and create a solid foundation for future economic growth. The key adjective to describe our strategy is integrated.

We are working with the Iraqis to achieve forward progress in three areas; the security, the political, and the economic dimensions of Iraq's transition. These three areas are interdependent. Progress in one area reinforces progress in the other areas.

We are moving actively to train, equip, and field the Iraqi security forces. We are interjectionally promoting an inclusive political process, respectful of human rights, and grounded in the rule of law.

We are helping to restore Iraq's infrastructure in order to meet demand for essential services, and providing counsel to facilitate Iraq's re-integration into the international economy.

The Iraqi people are in the forefront of this effort, putting their lives at risk each day to create a new Iraq. As you pointed out, early this year, Secretary Rice appointed me to be her Senior Advisor and Coordinator for Iraq Policy.

In that role, I have focused my efforts on two main tasks. First, I have served as a coordinator within the United States Government to ensure American support for Iraq effectively supports the political transition and economic reconstruction.

Second, I have engaged with many foreign governments in an effort to build international support for Iraq's Transitional Government. As you also pointed out, I was present in Baghdad during the Iraqi negotiations that led to the adoption of the Transitional Administrative Law in March of last year.

Among its many achievements, the transitional law lays out a clear political path for Iraq's transition to full democracy. As Prime Minister Ibrahim Al-Jaafari stated clearly when he was in Washington last week, the Iraqi leaders and the Iraqi people are committed to following that path.

And as President Bush said last night at Fort Bragg, Americans will be steadfast in their support for that transition. This year is pivotal in that regard. It began with the January 30 elections of the 275-member Transitional National Assembly.

The assembly, in-turn, elected a presidency council, which then appointed a prime minister, who subsequently formed a cabinet of more than 30 ministers. The next critical milestone on the political path is August 15th, by which time the assembly is scheduled to have completed a draft Constitution.

Over the past 2 months, the Iraqi leadership has been working to finalize the membership of the constitutional committee charged with preparing the draft. As you pointed out, the original committee of 55 persons only had two members from the Sunni Arab community.

This was clearly insufficiently represented of that important Iraqi polity, and recognized to be so by Iraqi political leaders of all factions. Following intense discussions, the Iraqis last week achieved a formula that expands membership of the committee, and satisfactorily addresses the imperative for an inclusive process representative of all of Iraq's various communities.

Once approved, the draft Constitution will be put to a national referendum on October 15, and if approved, elections for a permanent government under that Constitution will be held on December 15th, with a new government scheduled to assume office no later than December 31st.

Our diplomacy is geared toward helping Iraqis continue to meet these deadlines, as in fact they have met all the deadlines up until now. Despite these significant accomplishments on the path toward political transition, however, real challenges do remain.

As you pointed out, several controversial areas may prove challenging for the committee charged with drafting a Constitution. These include my list, and very similar to yours, the role of Islam, vis-a-vis other religions; the nature of Iraqi federalism, the distribution of revenues from national resources; and the future status of the city of Kirkuk, which of course is very important to the Kurds and other communities.

While it is up to the Iraqis to write their Constitution, we have urged them to rely heavily on the principles of the transitional law, particularly those related to human rights, including the rights of women and religious minorities, as they do so.

To support Iraq's transition to democracy, Congress appropriated $2½ billion in April 2003 and another $18.4 billion in the fall of 2003, for the Iraq relief and reconstruction fund, or the IRRF.

Our efforts were complimented by other governments who met in Madrid in October 2003 and pledged an additional $13.5 billion. While this assistance is a very generous contribution, it only forms a down-payment on the support that Iraq needs from the international community and from its own resources to repair infra-

structure in an economy that was devastated by decades of mismanagement, tyranny, and war.

In the course of the last year, we have adapted IRRF spending to the evolving needs of Iraq, and in response to changing external requirements and constraints. Initially, we emphasized the reconstruction of basic elements of Iraq's prewar infrastructure, with the immediate goal of restoring essential services, such as electricity, water, health, oil production, education, roads, telecommunications, and so on.

Beginning last fall, however, greater emphasis was placed on the urgent political priorities, and the standing up of the security forces to enable Iraq to assume increasing responsibility for its own security.

We have also begun using IRRF funds to strengthen Iraq's judicial system. IRRF funds are still being targeted to increase the output of electricity and fuel, of course, though.

Lately, we have begun adopting our procedures in an effort to reduce the proportion of our assistance going to overhead and security expenditures, and to ensure sustainability of projects by coordinating more closely with Iraqi ministries, and making greater recourse to Iraqi contractors and expertise.

As part of my role as the Coordinator for Iraq Policy, I have been leading an interagency steering group, which has been reviewing some of these issues. And we have also made some recommendations for changing some of our emphases.

One area that we are very proud of, and which we believe will help strengthen nascent Iraqi democracy at the grassroots level in support of a Federal structure for Iraq, is that we have worked with our Embassy and the Iraqi authorities to create something which are called provincial reconstruction and development committees.

These committees, which will be made up of local government officials and local representatives of Baghdad ministries, will be a one-stop shop for United States agencies, but also for other donors to work with them to get their input into the design of assistance projects that will be implemented in their provinces.

There is a lot of interest in this on the Iraqi side. We are very excited about this development, and we are going to be channeling an increasing amount of our resources in that direction, including some of the funds that will be made available under the 2005 budget for the so-called CERP funds, the Commanders Emergency Response Program, which is administered by our military commanders in the field.

With the establishment of the Iraqi Interim Government in June 2004, and the formation of the Iraqi Transitional Government in May of this year, Iraqi ministries have gradually become our full partners in reconstruction and development planning.

To sustain the momentum created by the IRRF, the Administration opposes cuts to assistance for Iraq. The $459 million which was included in the President's fiscal year 2006 budget request will enable us to continue programs in support of the new Iraqi Government as it undertakes its responsibilities and the difficult transition to democracy.

Now, in addition to supporting the political transition and economic reconstruction taking place inside Iraq, we have also been working, as I mentioned, to build a renewed international partnership to include those countries which did not support the war, but are now willing to assist the democratically-elected government.

On June 22, more than 80 governments and institutions, including the United Nations and NATO, met in Brussels to hear the Iraqi Transitional Government discuss its vision, strategies, and priorities for Iraq's transition. The transitional government sent a large delegation, including key ministers, leaders of the Transitional National Assembly, members of its judiciary, and figures from civil society.

At Brussels, the international community sent Iraq a clear message, and that was that we support your transition to a democracy. This political message of unity from the international community is a significant development for United States policy in Iraq.

The participants also committed to follow up on their pledges of tangible support for Iraq. Many of them pledged in particular support for the constitutional drafting process. The next international meeting will be in Amman, Jordan, on July 18 and 19.

This meeting will be an opportunity for donor countries and international organizations to accelerate the work that was begun at Brussels to improve their coordination with the Iraqi Government based on the presentation of Iraq's priorities at Brussels.

Another goal for the meeting, or in fact the main goal for the meeting will be to inaugurate an Iraqi-led donor coordination mechanism. This improved coordination, coupled with a sharper focus by the new government on Iraq's own priorities, will allow for more rapid disbursement of international assistance.

In July, we will also hold the next in our series of bilateral economic policy discussions. Our Joint Commission on Reconstruction and Economic Development will take place at that time. The Iraqi side will be led by the new minister of finance, Ali Allawi, accompanied by other key ministries and ministers.

The U.S. delegation will be led by Deputy Secretary of State Robert Zellick, and he will be supported by an interagency team, including senior economic officials. We believe that this policy dialogue is an important compliment to our economic assistance.

Finally, the Administration remains committed to working with our partners in the military coalition. The coalition is currently reviewing how best to support training for the Iraqi security forces, and I personally have participated in several briefings and discussions with coalition partners in this regard.

In closing, I would like to say that none of us who have worked in Iraq or on Iraq policy in Washington are under any illusions about the magnitude of the task before the Iraqi people and their friends.

It is important that we remain united and coordinated in support of Iraq's transition. We will continue to ensure that our diplomacy and our financial resources are devoted to encouraging the political process and economic development, and we depend on our heroic compatriots in the military to pursue the vital task of developing the self-sufficiency of the Iraqi security forces. Iraq is on the right

path, and the American role in supporting this transition remains essential. Thank you.

[The prepared statement of Ambassador Jones follows:]

PREPARED STATEMENT OF THE HONORABLE RICHARD JONES, SENIOR ADVISOR TO THE SECRETARY AND COORDINATOR FOR IRAQ, U.S. DEPARTMENT OF STATE

Introduction

I am pleased to meet with you today and look forward to discussing Iraq's progress toward democracy. Specifically, I propose to outline for you our approach to supporting Iraq's transition.

In simple terms, our goal is to help Iraq become a democratic, prosperous and stable nation. We have developed a comprehensive strategy to achieve that goal. This strategy calls for us to provide the Iraqis with the tools necessary to defeat the insurgency, complete the political transition, and create an economic foundation for future growth. The key adjective to describe our strategy is "integrated." We are working with the Iraqis to achieve forward progress in three areas: the security, political, and economic dimensions of Iraq's transition. These three areas are interdependent—progress in one area reinforces progress in the other areas. We are moving actively to train, equip and field the Iraqi security forces. We are energetically promoting an inclusive political process respectful of human rights and grounded in the rule of law. We are helping restore Iraq's infrastructure in order to meet demand for essential services, and providing counsel to facilitate Iraq's reintegration into the international economy. Thus, the Administration is fully engaged at all levels to promote implementation of our National Strategy for Supporting Iraq. The Iraqi people are in the forefront of this effort, putting their lives at risk each day to create a new Iraq.

Role of Special Advisor and Policy Coordinator

As you may know, early this year Secretary Rice appointed me to be her Senior Advisor and Coordinator for Iraq Policy. Following Iraq's successful elections in January, Secretary Rice sought to capitalize on the positive momentum created by that historic event to accelerate the transition within Iraq, and to expand our partnership with the international community in support of the newly elected government. Consequently, I have focused my efforts on two tasks. First, I have served as a coordinator within the U.S. government, to ensure American support for Iraq effectively supports the political transition and economic reconstruction. Second, I have engaged with many foreign governments in an effort to build international support for Iraq's Transitional Government.

Political Transition

With your permission, I would like to elaborate on these efforts. As many of you know, I served in Iraq as the Chief Policy Officer and Deputy Administrator of the Coalition Provisional Authority. I was present in Baghdad during the Iraqi negotiations that led to the adoption of the Transitional Administrative Law, or TAL, in March 2004. Among its many achievements, the TAL lays out a clear political path for Iraq's transition to full democracy. As Prime Minister Ibrahim al-Ja'afari stated clearly when he was in Washington last week, the Iraqi leaders and the Iraqi people are committed to following that path, and, as President Bush responded, Americans will be steadfast in their support for that transition.

In that regard, this year is pivotal. It began, as I mentioned above, with the January 30 elections, in which 8.5 million Iraqis participated in their country's first democratic elections in living memory, electing a 275-member Transitional National Assembly (TNA). The Assembly, in turn, elected a Presidency Council, that is, a President and two deputy presidents, with equal legal powers. The Presidency Council then appointed a Prime Minister, who subsequently formed a cabinet of more than 30 ministers.

The next critical milestone on the political path is August 15, by which time the TNA is scheduled to have completed a draft constitution. Over the past two months, the Iraqi leadership has been working to finalize the membership of a constitutional committee charged with preparing the draft. The original committee of 55 persons only had two members from the Sunni Arab community. This was clearly insufficiently representative of that important Iraqi polity and recognized to be so by Iraq political leaders of all factions. Following intense discussions, the Iraqis last week achieved a formula that expands the membership of the committee and satisfactorily addresses the imperative for an inclusive process representative of all of Iraq's various communities. Even while the details of creating a more inclusive committee were under discussion, preparatory work began to block out portions of the text and

to identify key issues. This augurs for rapid progress once the constitutional committee becomes complete. Of course, in the end, the legitimacy of the constitution will depend crucially upon the inclusion of a broad range of credible Iraqi voices.

These voices must be heard, because, once approved, the draft constitution will be put to a national referendum on October 15. If approved, elections for a permanent government under that constitution will be held on December 15, with the new government scheduled to assume office no later than December 31. It is in Iraq's best interest to honor the timeline contained in the TAL to maintain forward momentum in the political process. Against all odds, Iraqi leaders have consistently met the deadlines first agreed to on November 15, 2003, beginning with the TAL itself, the recovery of sovereignty, democratic elections on January 30, and the formation of a transitional government. Our diplomacy is geared toward helping the Iraqis continue to meet these deadlines.

Despite these significant accomplishments on the path toward political transition, real challenges remain. Generally speaking, Iraq needs to move from ethnic to issue-based politics. This evolution will require national political dialogue among Shi'a, Sunni, and Kurdish groups and the involvement of other minority populations. Although Iraqi officials have repeatedly stated they are committed to the TAL deadlines, several controversial areas may prove challenging for the committee charged with drafting the constitution. These include: the role of Islam and other religions; the nature of Iraqi federalism; the distribution of revenues from natural resources; and the future status of the city of Kirkuk.

To support the constitutional process, we have been providing assistance to groups such as the National Democratic Institute, the International Republican Institute, IFES, and the U.S. Institute for Peace. These organizations are working with Iraqis to provide technical assistance in all aspects of political development. At the recent International Conference in Brussels, many countries indicated an interest in helping to support this process. The UN has a key responsibility in this vein and has already been providing significant support, as it did for the successful elections in January. Nonetheless, as the summer goes on, the UN will need to accelerate its activities and make good use of this international good will by coordinating the various proposed efforts. While it is up to the Iraqis to write their constitution, we have urged them to rely heavily on the principles of the TAL related to human rights, including the rights of women and religious minorities, in doing so.

Economic Reconstruction

To support Iraq's transition to democracy, the Congress generously appropriated $2.5 billion in April 2003 and $18.4 billion in November 2004 for the Iraq Relief and Reconstruction Fund (IRRF). These funds have been used to build a foundation for a new Iraq. During the last two years, we have used the IRRF to support the training and equipping of security forces; the renovation, construction, and equipping of thousands of health clinics, hospitals, and schools; the reconstruction and modernization of the energy, transportation, and other sectors fundamental to the economic transformation of the economy; and many other democratic institution-building and assistance programs. These funds represent a generous U.S. contribution to Iraq's reconstruction and the well-being of the Iraqi people, but they form only a down payment on the support Iraq needs from the international community and from its own resources to repair infrastructure and an economy devastated by decades of mismanagement, tyranny and war.

We have adapted IRRF spending to the evolving needs of Iraq and in response to changing external requirements and constraints. Initially, we emphasized the reconstruction of basic elements of Iraq's pre-war infrastructure, with the immediate goal of restoring essential services such as electricity, water, health, oil production, education, roads, and telecommunications. Beginning last fall, however, greater emphasis was placed on the urgent political priorities, such as technical support for the January 2005 elections, the formation of the transitional government, the constitutional referendum and subsequent national elections, and the standing up of the security forces to enable Iraq to assume increasing responsibility for its own security. The use of IRRF funds in support of the self-sufficiency of Iraq's security forces of course reinforces the successful completion of the political process. Lately, we have begun transitioning the way we contract, in an effort to reduce the proportion of our assistance going to overhead and security expenditures, and to ensure sustainability of projects by coordinating more closely with Iraqi ministries and making greater recourse to Iraqi contractors and expertise.

We have also begun using IRRF funds to strengthen Iraq's judicial system, including funding the construction of courts, police stations and prison facilities; the provision of judicial security and training programs to increase prosecutorial capacity, rule of law education, anti-corruption; support to the Central Criminal Court of

Iraq; and technical advice to foster the integration of the justice system. The security we are working so hard to achieve on the ground will not be sustainable without these key elements of a society based on the rule of law.

IRRF funds are still being targeted to increase the output of electricity and fuel, a result that will facilitate the further development of the Iraqi economy and respond to the concerns of the Iraqi people. However, a combination of factors has limited a swift achievement of Iraq's goals on electrical power. These include skyrocketing demand, insurgent attacks on the infrastructure, a weak culture of operations and maintenance, and insufficient coordination among Iraqi ministries. Nonetheless, we believe Iraq now has a sustainable base generating capacity, and that future additions will help meet the rising demand. This is a complex problem which will require continuous attention. Policy reform and good business and engineering practices will also be critical to Iraq's success.

With the establishment of the Iraqi Interim Government in June 2004 and the formation of the Iraqi Transitional Government in May of this year, Iraqi ministries have gradually become full partners in reconstruction and development planning. The next step is for the elected government and private sector to employ Iraq's own revenues and assistance from other governments and multilateral institutions in a comprehensive strategy for economic development.

One positive example of such synergistic funding is the telecom sector, where both the IRRF and the private sector have played important roles. For example, an IRRF investment of more than $370 million has led to the following developments:

> IRRF monies supported USAID's work in replacing 13 telephone switches in Baghdad area and elsewhere in the country, leading to an increase in the number of landline telephone subscribers—from pre-war levels of 833,000 to approximately one million subscribers. This work also enabled the restoration of international calling service.
>
> IRRF monies also have been used to establish an Advanced First Responder Network for Iraqi police, fire, and emergency medical personnel. The system was partially operational in Baghdad for the January elections, and is scheduled to be fully operational in sixteen strategic cities by the December elections.
>
> Due to investment of more than $400 million by the private sector, Iraq now has 2.7 million cellular-phone subscribers. There has been a similar explosion in Internet services. Limited to Baathist officials prior to the war, Iraq now has more than 2,000 Internet cafes throughout the country. A state-owned internet service provider has 17,000 subscribers.

Developments such as these in the telecom sector will foster Iraq's reintegration into the world economy.

To sustain the momentum created by the IRRF, the Administration opposes cuts to assistance for Iraq. Additional assistance to Iraq, together with diplomacy and defense, is essential to Iraq's democratic transition. The $459 million included in the President's request will continue work already begun under programs funded by the Iraq Relief and Reconstruction Fund. The request will assist the new Iraqi government in delivering basic services to its people, developing a free market system, and helping Iraqi refugees return to their homes and reintegrate into Iraqi society. These funds will also continue programs in support of the new Iraqi government as it undertakes its responsibilities and the difficult transition to democracy.

A Renewed International Partnership

In addition to supporting the political transition and economic reconstruction taking place inside Iraq, we have also been working to build a renewed international partnership to include those countries which did not support the war but are now willing to assist the democratically-elected government. During President Bush's February 2005 visit to Brussels, the United States and the European Union offered, if Iraq so requested, to co-host an international conference to provide a venue for the Iraqi Transitional Government to engage with the international community and to present its plans as well as its areas of need. Following its formation, the ITG made such a request. On June 22 more than 80 governments and institutions—including the United Nations and NATO—met in Brussels to hear the ITG discuss its vision, strategies, and priorities for Iraq's transition. The ITG send a large delegation, including key ministers, leaders of the Transitional National Assembly, members of the judiciary, and figures from civil society. The Steering Group that organized the conference is but one concrete example of the renewed international partnership that we and Iraq are now building; the group included the United States, the EU, the UN, Egypt, Russia, and Japan, as well as Iraq.

The conference was structured around the three themes outlined in UN Security Council Resolution 1546: the political process; economic challenges and reconstruc-

tion; and public order and rule of law. Secretary Rice led the U.S. delegation and co-chaired the session on public order and rule of law. With your permission, I would like to quote from her final statement at the conference:

"We have had an opportunity as an international community to hear from this fine team of Iraqis about their aspirations, about their ambitions, and about their needs as they move forward. We are witnessing as an international community the emergence of an Iraq free of tyranny, a great culture and a great people who are finally throwing off years and decades of tyranny and horror for their people to try and build a free and democratic future. . . . At some time in the histories of each and every country around this table, somebody had to help as other countries emerged from tyranny into democracy, as they defeated fascism on the continent of Europe with the help of others. At some time, each and every one of us needed the help of others. The Iraqi people now need our help. Because they need our help and because they have spoken so clearly and so directly, we know what it is that we need to do. And I just want to encourage each and every country at this table that has spoken about the obligation, that has spoken about our ambitions, and that has spoken about what we are willing to do, that we will now go and do it. Because the Iraqi people have taken a great risk. They are a courageous people who are working toward democracy and freedom. Let us support them fully and wholeheartedly."

At Brussels, the international community sent Iraq a clear message that is: "We support your transition to a democracy." This political message of unity from the international community is a significant development for U.S. policy in Iraq. The participants also committed to follow-up on their pledges of tangible support for Iraq. The next international meeting will be a donors' conference to be held in Amman, Jordan, on July 18–19. The meeting in Amman is actually the fourth in a series of meetings of the donor community (the previous meetings were in Abu Dhabi, Doha, and Tokyo) following the October 2003 Madrid donors' conference. These donors have been overseeing $13.5 billion in assistance—$8 billion in assistance from foreign governments and $5.5 billion in lending from the World Bank and the IMF—pledged at the Madrid conference and scheduled to be disbursed between 2004 and 2007.

The upcoming meeting in Amman will be an opportunity for donor countries and international organizations to accelerate their coordination with the Iraqi government following the ITG's presentation of its priorities at Brussels. Another goal for the meeting is to inaugurate an Iraqi-led donor coordination mechanism. This improved coordination, coupled with a sharper focus by the new government on Iraq's own priorities, will allow for more rapid disbursement of the international assistance. We will be working with Iraq and the donors to help them find innovative methods for achieving such an acceleration in disbursements.

Of course, appropriate Iraqi economic policies will be a key to success. Our intensive dialogue with Iraqi policymakers, including through our bilateral economic commission, is an essential vehicle for building support for such internal coordination and reform. In July we will hold the next in our series of high-level economic policy discussions when the Joint Commission on Reconstruction and Economic Development takes place. Iraq will be led by Finance Minister Ali Allawi accompanied by other key ministers. The U.S. delegation will be led by Deputy Secretary Robert Zoellick, who will be supported by an interagency team including senior economic officials.

Finally, the Administration remains committed to working with our partners in the military coalition. The coalition is currently reviewing how best to support training for the Iraqi security forces. We appreciate funding provided in the recently enacted FY05 Emergency Supplemental for assistance to our coalition partners in Iraq (and Afghanistan). These funds will enable the United States to support the equipment and budgetary challenges of coalition partners engaged in ongoing operations in the region.

Conclusion

None of us who have worked in Iraq or on Iraq policy in Washington are under any illusions about the magnitude of the task before the Iraqi people and their friends. It is important that we remain united and coordinated in support of Iraq's transition. We will continue to ensure that our diplomacy and our financial resources are devoted to encouraging the political process and economic development, and depend on our heroic compatriots in the military to pursue the vital task of developing the self-sufficiency of the Iraqi security forces. Iraq is on the right path, and the American role in supporting this transition remains essential.

Ms. ROS-LEHTINEN. Thank you so much, Ambassador Jones. I would like to start with the last part of your presentation about multilateral efforts and pledges at the donor conferences.

What were the pledges of the Arab states at the Brussels conference? Did Saudi Foreign Minister Prince Saud comment on that country's readiness to enter into talks with the Iraqi Government on debt relief, and have the Saudis followed up or followed through on their $1 billion offered by the Kingdom at the 2003 Madrid conference for reconstruction efforts in the form of soft loans, and by financing and guaranteeing Saudi exports to Iraq?

And how much humanitarian assistance has been delivered to Iraq from Saudi Arabia?

Ambassador JONES. First, I want to make it clear that the Brussels conference was not focused on obtaining pledges of new assistance. It was a political conference, and it was a conference for countries to hear the priorities of the new government.

Ms. ROS-LEHTINEN. That was generating support for Iraq's transition phase.

Ambassador JONES. For the new government, and the meeting in Amman will be more focused on accelerating the delivery of assistance in line with those priorities.

You mentioned Saudi Arabia. In fact, Saudi Arabia was represented by Prince Saud Al-Faisal, the foreign minister, and he did make statements on Saudi Arabia's willingness to enter into direct negotiations with the Iraqis in support of debt relief. And in particular said that Saudi Arabia was prepared to be generous in that regard, which we took as a very positive signal, that he would make that statement in a public forum of that nature.

At the same time, not only Saudi Arabia, but other countries' assistance, and much of it that was promised in the Madrid conference in October 2003, still remains to be disbursed. A lot of the assistance——

Ms. ROS-LEHTINEN. I am sorry, Mr. Ambassador, but disbursed means that the countries have not given it to Iraq, or that Iraq has not disbursed it to its people?

Ambassador JONES. That they have not agreed yet with Iraq on how it should be used.

Ms. ROS-LEHTINEN. That the countries that offered to donate money have not come to terms with the Iraqi Government about those pledges?

Ambassador JONES. Right. Right.

Ms. ROS-LEHTINEN. And does that mean that Saudi Arabia is one of those that have not come through?

Ambassador JONES. Saudi Arabia is one of those countries whose pledges have not been fully utilized, that is right.

Mr. ACKERMAN. Madam Chairman, if I might, I still don't have it clear in my head what you are trying to tell us.

Mr. ROS-LEHTINEN. Mr. Ackerman, I am going to give you plenty of time. Don't worry.

Mr. ACKERMAN. I just didn't want to begin again on the whole——

Ms. ROS-LEHTINEN. You can follow through.

So that would mean that Saudi Arabia, when that government made its initial pledge in this Madrid conference in 2003, it was

done in a private manner? You said that you wanted them to make it in a public way.

Ambassador JONES. I was speaking about debt relief.

Ms. ROS-LEHTINEN. Debt relief?

Ambassador JONES. Yes, and I am not aware that they made pledges on debt relief as forward-leaning as Saud Al-Faisal was in Brussels.

Ms. ROS-LEHTINEN. So it wasn't for debt relief, but they did say that the billion dollars that they offered, what was that supposed to be used for?

Ambassador JONES. Those were in the form of soft loans. In effect what they did was open a line of credit for Iraq.

Ms. ROS-LEHTINEN. And they said that publicly, or did they say that privately?

Ambassador JONES. Yes, I believe that is public information.

Ms. ROS-LEHTINEN. And since then nothing has happened?

Ambassador JONES. Iraq has not drawn on that line of credit.

Ms. ROS-LEHTINEN. "Iraq has not drawn" means that Saudi Arabia has not given the money?

Ambassador JONES. I think that it is—it takes two to tango. They have to tell the Saudis what they want to use the money for. They have to come up with specific proposals. These are loans. Loans have to be made toward specific projects, and they have to agree on what the projects are.

It is like when a bank has money, and people come to the bank, if they present a project proposal, the bank will loan money for a specific project. Those negotiations, to my knowledge, have not happened.

Ms. ROS-LEHTINEN. So they are not even conversing about it then?

Ambassador JONES. I mean, the United States just does not give money to Iraq either. I mean, that is not the way that international assistance is normally done. It is normally done through discussions between the lender and the borrower, focused on a specific project. So the lender has to come forward.

Ms. ROS-LEHTINEN. But we are in negotiations if that is the process in which these transactions take place. You would say that the United States is in the process of making good on whatever pledges that we have made?

Ambassador JONES. Absolutely.

Ms. ROS-LEHTINEN. And would you say that other countries have made good on those pledges?

Ambassador JONES. The pledges——

Ms. ROS-LEHTINEN. Is Saudi Arabia standing alone from the 2003 pledge, or is there a list of other countries that have not entered into negotiations?

Ambassador JONES. The pledges that were made at Madrid were basically from 2004 to 2007, a 4-year period. The total pledges were about $13.5 billion. Of that, about $5.5 billion was from the international institutions, the IMF and the World Bank.

So about $8 billion was from bilateral donors, and of that $8 billion, about $2 billion has been used, which is about a quarter. But since the pledges were made over 4 years, that is not necessarily behind schedule.

Ms. ROS-LEHTINEN. What is the United States role in helping to move those negotiations along? Do we stand back and see if they move along, or are we prodding Saudi Arabia and the other Arab countries to make good on their pledges?

Ambassador JONES. Absolutely, and we are working very closely with the Iraqi Government——

Ms. ROS-LEHTINEN. Can you tell us some of our efforts to try to get Saudi Arabia to make good on their pledge?

Ambassador JONES. Well, we have bilateral contacts at several levels. I mean, the fact that we organized this session in Brussels. I personally have visited Saudi Arabia and held conversations with Saud Al-Faisal and other senior Iraqi officials, and urged them on this issue of debt relief.

We have been working with the Iraqis to be able to articulate their priorities better to the international community, which they did so at Brussels. And I believe that by participating actively in the Amman conference, and the preparations for the Amman conference, we are working with both sides to help bring them together.

The Saudis are not the only ones that have pledged loans that have not been utilized. In fact, very few loans have been utilized, from Saudi Arabia or any other source. Most of the assistance has been grant assistance.

Ms. ROS-LEHTINEN. And would you say it is because the Iraqi Government has not put up a list of the projects that are designated to be the recipients of those funds?

Ambassador JONES. They have been developing their priorities and they are still in the process of doing so. They presented some initial thoughts at Brussels. They will present greater thoughts at Amman.

Ms. ROS-LEHTINEN. So we need to prod both Saudi Arabia and others to come forth with the money, or do we need to prod Iraqi's——

Ambassador JONES. We need to work with both sides. We definitely do.

Ms. ROS-LEHTINEN. Right. And could you tell me whether other Arab states had pledged in the Madrid conference or in other opportunities to aid Iraq in their reconstruction efforts and if they have not made good? You said that Saudi Arabia is not alone. I was wondering how many Arab states are on that list.

Ambassador JONES. Well, certainly Kuwait and the United Arab Emirates are both prominently active in assistance circles. I think they both had made pledges at Madrid. They both have sizeable debt. Both of those countries have made statements of their willingness to forgive debt.

Again, even debt forgiveness requires negotiation and so it has to be the result of a process that involves Iraq.

Ms. ROS-LEHTINEN. So you are optimistic that because the year goes to 2007 that those negotiations will be underway?

Ambassador JONES. The negotiations on debt, or——

Ms. ROS-LEHTINEN. No, on the donors.

Ambassador JONES. Well, that is the process that we are trying to continue at the Amman meeting, to get them now moving into the area where they start utilizing loans. Most of the assistance

that has been utilized up to now is assistance that has been provided in a grant nature by countries that have the kind of aid expertise to deliver projects, to design and deliver projects.

A lot of these Arab states don't have that in-house expertise. They really do need to rely on the international community to help them mobilize their assistance, and that is what we are working to do.

Ms. ROS-LEHTINEN. Because as you know, we ask our taxpayers all the time to fund so many projects, it would be very good for those folks who say that they are our allies and are the recipient of great relationships with the U.S. to make good on the pledges.

Ambassador JONES. I agree with you.

Ms. ROS-LEHTINEN. And we certainly have made good on our pledges as well. So we hope that this happens. One more question, and I will have the other Members follow up with these and other questions.

With respect to the Shiite majority represented in Iraq's national assembly, is there any concern that a future Iraqi Government could pursue a course to align itself with Iran, and thereby alienate itself from the United States?

We know that elements have been close to Iran in the past. What strategies are we developing to address this possibility?

Ambassador JONES. I think that Prime Minister Ibrahim Al-Jaafari was asked that same question when he was here in Washington, and he acknowledged that he has close ties with Iran. He fled to Iran when he was forced out of Iraq by Saddam Hussein many years ago, although he didn't live there for an extended period.

He went on and took up residence in the United Kingdom. He still has, I think, close ties with the Iranians, and he is not alone in his government, and he certainly is not alone among members of Parliament.

But what Jaafari said is, "Yes, I have close ties with Iran. Our Government will have close ties with Iran. They are a neighbor. However, we will not allow Iran or any other government to interfere in our internal affairs. And it will not affect our close relationship with the United States."

And I believe as one who has worked with many of these people, both in Baghdad and now in my current capacity, that he was speaking from the heart, and that in fact Iraq does want to have good relations with Iran as a powerful neighbor, just like they want to have good relations with Turkey, with Saudi Arabia, with Jordan, and so on.

And as with any nation, there will be some members of their society and their government that feel closer to one country than another, but that the key is that we should look at them first and foremost as Iraqi nationalists, and deal with them, and try and always get them to focus on what Iraqi national interests are.

And if they follow Iraqi national interests, I think they will have a proper relationship with Iran and with all their other neighbors, and they also will continue to have a close relationship with us.

Ms. ROS-LEHTINEN. Some neighbors are friendlier to our United States national security interests than others, and some can be trusted more than others, and I think you would agree that a close

relationship with Iran would be troublesome to our own national security interests, unless Iran is doing the right thing with the International Atomic Energy Agency, and that remains to be seen.

Ambassador JONES. I understand.

Ms. ROS-LEHTINEN. Thank you, Ambassador. Mr. Ackerman.

Mr. ACKERMAN. Thank you, Madam Chair. Mr. Ambassador, I just want to get a clear picture of the money. We on the United States side approved, here in Congress, about $200 billion worth of spending for Iraq, about $21.3 billion of that is to be for reconstruction, and infrastructure efforts, and the rest of it is going to our military and the things that go along with that. Of that $21.3 billion, we have identified projects for about $12 billion, and of that $12 billion, approximately $4 billion has actually been spent. Is that accurate?

Ambassador JONES. Could you repeat that again? I am not quite following your numbers, Congressman.

Mr. ACKERMAN. We have spent $4 billion, if these numbers are accurate, and that is what I am asking you, but we have actually ponied up $4 billion out of the $12 billion that we have identified as spendable in projects. And that $12 billion is out of the $21.3 billion that we have allocated for reconstruction.

Ambassador JONES. For all projects, is that what you are asking, or——

Mr. ACKERMAN. In Iraq.

Ambassador JONES. Those numbers don't square with the numbers that I am familiar with.

Mr. ACKERMAN. How much have we spent?

Ambassador JONES. My understanding is that disbursements have been over $7 billion.

Mr. ACKERMAN. Over seven?

Ambassador JONES. Yes, and that all but about maybe $2 billion has been obligated or committed, so that we have about—I think we have about $800 million that has not been apportioned.

Mr. ACKERMAN. Let us go through it again: $21.3 billion.

Ambassador JONES. That is the total.

Mr. ACKERMAN. That is the total?

Ambassador JONES. Yes.

Mr. ACKERMAN. How much of that have we identified for spending on projects approved?

Ambassador JONES. My understanding is that it is all but about—probably all but about $5 billion has been obligated, and of that $5 billion, about——

Mr. ACKERMAN. So you are saying that we have obligated $17 billion?

Ambassador JONES. Probably close to that, $16 billion something.

Mr. ACKERMAN. Okay.

Ambassador JONES. And of the money that has not been obligated, some of it is committed, which means that we know what we want to spend it on, but we are just still negotiating with the contractors.

Mr. ACKERMAN. And the $17 billion that we have obligated, how much has been actually spent?

Ambassador JONES. Somewhere over $7 billion, I believe, and it may be more than that because the $7 billion may apply just to the second supplemental and not to the first, which has all been spent.

Mr. ACKERMAN. Now, let me get at the question that the Chair was trying to elicit. Within the Arab world, how much have they spent?

Ambassador JONES. There has been significant contributions of humanitarian assistance, particularly by the neighbors, Kuwait and Saudi Arabia.

Mr. ACKERMAN. What does significant mean?

Ambassador JONES. In the hundreds of millions.

Mr. ACKERMAN. So we have obligated $17 billion, and spent $7 billion, and they are talking about hundreds of millions, and not even $1 billion?

Ambassador JONES. We could try and sum that up for you, but I don't have that figure.

Mr. ACKERMAN. Of those hundreds of millions, who are the big donors in that?

Ambassador JONES. Kuwait.

Mr. ACKERMAN. Now I am not talking about loans. Our money is not loans on these projects.

Ambassador JONES. No, I understand, sir.

Mr. ACKERMAN. We are giving this money to them, and I know contributions come in many forms. Sometimes it is a loan. A loan to me is not a contribution. The bank isn't making a contribution when I am buying a house and looking for a mortgage. They give me a loan.

So I am talking about how much money that they have expended that they have no expectation of reclaiming under any terms. Is that still hundreds of millions, or is that loans that we are talking about?

Ambassador JONES. In terms of support directly for the Iraqi people, that is what you are asking about, versus support for our military or anything like that?

Mr. ACKERMAN. Yes. I don't know that Arab countries are making contributions toward our military. I mean, Costa Rica sent us four guys and then took them back, but they are not an Arab country.

Ambassador JONES. There have been contributions, but that is probably not the topic of your question.

Mr. ACKERMAN. No. How much money has the Arab world given to their Arab brothers to make their life better, is the question.

Ambassador JONES. I don't have a global figure. I know certain anecdotal figures, but I am not prepared to give you a total figure.

Mr. ACKERMAN. It is probably not a lot.

Ambassador JONES. I think it is in the hundreds of millions, but we can check on that and see what we can come up with.

Mr. ACKERMAN. And these are not loans that I am talking about. I am talking about giving them the money.

Ambassador JONES. I understand.

Mr. ACKERMAN. And which countries would you suspect are the largest among those?

Ambassador JONES. Kuwait and Saudi Arabia.

Mr. ACKERMAN. Kuwait and Saudi Arabia?

Ambassador JONES. Yes. Probably The Emirates have also provided contributions. I know, for example, that The Emirates have hosted police training for Iraqi police.

Mr. ACKERMAN. I will take that up in a second. Are we doing anything to encourage them to up the ante of what they are contributing if we don't even know what the ante is?

Ambassador JONES. Well, they all made pledges at Madrid, and what we are focusing on is getting those pledges moving.

Mr. ACKERMAN. The Madrid pledges, are those loans or contributions?

Ambassador JONES. It is a mixture.

Mr. ACKERMAN. Do we know what the breakdown is and do we know what the total is?

Ambassador JONES. Yes, I believe that is part of the public record.

Mr. ACKERMAN. And what would that record indicate, what number?

Ambassador JONES. We can't provide it to you, especially if you want to rack up for Arab states, because the information that I have isn't done by—it is done by individual countries, and I would have to sit here and sum it up for you.

Mr. ACKERMAN. If you could give us all the individual countries, we can identify which ones we want to look at, and we would probably want to look at all of them. But it would be a disappointing number; would that be fair to say?

Ambassador JONES. I have got Saudi Arabia, $500 million; United Arab Emirates, $215 million; Kuwait, $500 million. For countries of the size that they are, some of them, I would say, it is pretty significant and others less significant.

Kuwait is a country of 2 million people, and for them to give $500 million is $250 a person.

Mr. ACKERMAN. But if you figure out the GMP, half the country are millionaires, if not more. It does not really work that way.

Ambassador JONES. No, it doesn't.

Mr. ACKERMAN. But you have a lot of oil coming out of there, you know. Five hundred million dollars is probably a half-an-hour at the spigot.

Ambassador JONES. I don't think so.

Mr. ACKERMAN. Well, maybe you can get back to us and let us know specific numbers.

Ambassador JONES. We will be happy to.

Mr. ACKERMAN. You spoke about the training of police. How many police and how many national security forces have been trained by us that actually show up to work, and how many by other countries?

Ambassador JONES. In round numbers, 170,000 are trained and equipped by the United States. That is police and armed forces, Iraqi security forces. We are training them at a very rapid pace now.

Mr. ACKERMAN. Do you realize that is 350 percent more than the prime minister, Ibrahim Al-Jaafari, who you have cited before, told us at a lunch that we had with him?

Ambassador JONES. Without knowing exactly what he said——

Mr. ACKERMAN. He said 30,000 military have been trained, and 20,000 interior department—is that what they call the police? Interior. Cops.

Ambassador JONES. I can't say. There are several different categories of security forces. I am giving you the total numbers. He may have omitted some of those.

Mr. ACKERMAN. He gave us total numbers.

Ambassador JONES. Well, I wasn't there, sir, and so I can't comment on what he said.

Mr. ACKERMAN. No matter which Administration witness we have here either at the Subcommittee or the Full Committee, either we get no answer, or dramatically different numbers, or usually, "I will get back to you." Nobody has ever gotten back to me, and nobody has ever gotten back to anybody that has reported back to the Committee that somebody got back to them.

Ms. ROS-LEHTINEN. If Mr. Ackerman could yield. The question that you would like to know exactly is, how many of the Iraqi security forces we have finished training?

Mr. ACKERMAN. Yes, and I would like to know what "finished training" means, because I think that is part of it. If somebody shows up for the day and they say, "It doesn't sound like the kind of job that my mother would appreciate me having. I think I will go back and try to teach school." Does that count for training because the guy came to the seminar that day?

Ms. ROS-LEHTINEN. We will make sure that we get you those answers.

Mr. ACKERMAN. And does training mean more than 3 days, a week? And what does training mean?

Ambassador JONES. We have many different training courses.

Mr. ACKERMAN. Does training mean they are ready to take on the task? If we are saying that we have 170,000 people total, the American people, and we are asking questions—and some of us don't want a timetable, all right? Some of us don't want a date specific. But we want to know what the truth is, and we are getting answers that are more *Alice in Wonderland* than fact, because they are so different.

When we are told a number, and you said 170,000 altogether. Does that mean that there are 170,000 Iraqi men—I presume in Iraq that they are all men. I don't know.

Ambassador JONES. There are some women, but mostly men, yes.

Mr. ACKERMAN. Okay. One hundred and seventy thousand brave courageous men and women in Iraq. Does that mean that that number is ready to take over if we weren't there, as long as there was a bigger number?

Or does that mean that more work has to be done? I have been told that the training sometimes consists of a couple of weeks or so.

Ambassador JONES. If you would allow me to explain. There are several different types of training. People who had prior experience receive less training than people who are new recruits.

Some of those courses are fairly short, but most of the focus now is on training new recruits. It is on training those recruits, and equipping those recruits as they come out of training, and most importantly though, it is on forming them into units.

We are working to build very sophisticated levels of organization of the Iraqi security forces, and this is something that has only been happening over the last year. A year ago, we had one battalion that was formed. Now we have more than 100 battalions.

Now, I am not going to pretend that all hundred of those battalions are fully functional by any stretch of the imagination. Probably at this stage the number that are functional is in the tens, if that. But the point is that we have a plan for organizing them into battalions, for training them at ever-increasing levels, for forming those battalions into brigades, and brigades into divisions.

And then the responsibility for security in the country will be distributed among 8 or 10 Iraqi divisions, and we will begin working with them to transfer responsibilities. There is a schedule. There is a plan.

Now, can I give you time lines? I can give you time lines for training. We are now training people at about the rate of 10,000 people a month. The plan is to have about 270,000 people by this time next year.

Mr. ACKERMAN. Is 270,000 the number of Iraqis that is estimated that would be able to sufficiently take over for United States forces?

Ambassador JONES. I don't think it is a question of numbers. It is a question of quality, more important than quantity. And you put your finger on that, Congressman.

Mr. ACKERMAN. That is exactly what we are trying to get at.

Ambassador JONES. I understand that, and that is what we are trying to get at, too. And we are training the people not only as individuals, but as units, because a unit is much more than the sum of its parts if it is well trained, and we are working with them.

As the President said last night, we are partnering American units now with Iraqi units so that Iraqi units have good examples. We are also putting in these transition teams to provide liaison with our people, but also to provide leadership for the Iraqis.

The problem in building an armed force from the bottom up, from scratch, is developing leaders. To develop leaders takes time, and we are working very hard on developing that leadership by providing leading by example, and providing training courses, but also by providing on-the-job training by having our people work side-by-side with them as mentors to help them.

Mr. ACKERMAN. We appreciate that, and hopefully that is all happening at whatever rate. But there is a difference between the 170,000 figure that you cited, or the 160,000 that the President mentioned in his statement last night, or the 30 plus 20 that the prime minister mentioned when he was here the other week and the tens of thousands that you just said more likely are ready for that kind of a mission.

Ambassador JONES. I said tens of units, of battalions. That is what I was referring to when I said tens of units.

Mr. ACKERMAN. Tens of units?

Ambassador JONES. Yes, of battalions.

Mr. ACKERMAN. And how many people is that?

Ambassador JONES. That would be maybe 20,000 or 30,000.

Mr. ACKERMAN. So this 30,000 may be?

Ambassador JONES. In effective units, but it doesn't mean that they are not out there on the street doing their jobs.

Mr. ACKERMAN. No, I understand, but the question at hand is, where is the goal post? How far do we have to kick this football? How far do we have to run? I don't need the exact yardage, but are we talking about that 30,000 that are well trained, well equipped, and know what they are doing? Does that have to reach 200,000 because a million people went to summer camp for a week, and if you have 2 million of them, it is not?

Ambassador JONES. Well, what I can say is that we clearly have a plan, and we are exerting a great deal of effort, and a great deal of resources.

Mr. ACKERMAN. And that is exactly what we are asking. If we have a plan, it has to involve a number of troops. What is the target for the number of troops? And on top of that, there is no indication here that we are trying to get other countries to come in and take the place of U.S. troops.

Ambassador JONES. We have an active dialogue with all the members of the coalition. We continually discuss these issues with the members of the coalition, and I mentioned that I am involved in that.

Mr. ACKERMAN. And the coalition is anybody added rather than subtracted?

Ambassador JONES. Well, it is current people and we are always looking for new countries to come in.

Mr. ACKERMAN. I know that we are looking, but the question was that I know a lot of countries, and I know Poland is in there. They are stalworths. But there are a lot of countries that have taken people out. Has any of the members of the coalition added one troop?

Ambassador JONES. We have had countries that have come forward to add forces, yes. The Australians recently did, for example.

Mr. ACKERMAN. How many?

Ambassador JONES. Several hundred that they added. I think they have nearly 1,000 troops.

Ms. ROS-LEHTINEN. Thank you, Mr. Ambassador. Mr. McCotter.

Mr. MCCOTTER. Thank you, Madam Chair. It seems to me that the discussion is properly based as you stated, that it is a political, economic, and military endeavor at this point, because the effort to stand up the Iraqi forces must never be viewed as a panacea for what is occurring in that tortured country.

If the United States military itself cannot curb an insurgency, let alone eradicate it, then standing up Iraqis while we are standing down American forces will lead to a similar result. It will not lead to an improvement of the situation. If anything, it might actually embolden the insurgents, because I am sure that they are more afraid of the United States military than they are of the Iraqi military, that has just been stood up.

Secondly, the unconventional nature of the warfare, it is not as if we are standing up forces to go face down the Weinbach in World War II. We are trying to stand up forces that have to deal with suicide bombers and political assassinations, incidents which are not readily curbed by a conventional military in the broadest sense.

So there has to be a political element and an economic element because as we have I think rightly identified, the Sunnis are the domestic base of the insurgency. Absent the ability militarily to eradicate that insurgency fully, it would seem that there must be a political and economic way that must be bound to bring them into the process.

Now, given the fact that the Sunnis are understandably very, very concerned about their future in a Shiite-run Iraq, it would seem to me that given the long history of a total disregard for the rule of law, and legal protections of the individual, that simply pointing at a written document that takes the Transitional Administrative Law and puts it in a Constitution, if I were a Sunni, might not be the adequate protections that I would need to submit and participate in a new democracy.

Now, what I would like to see if I were a Sunni is some tangible benefit for me at the end of the road. That there is an economic benefit to me. That there is a system in place that allows me not only to have my economic benefit, but to make sure that this government, the national government, is weak enough that it cannot come in and kill me when it wants to.

I think that those would be bases upon which the Sunnis might be brought into the process. Now, I go back to my original concept of Iraq, post-reconstruction, would have been a strong tribal community in many of these areas, and a strong town council, a provincial government housing the Kurds, the Sunnis, and the Shiite, and a more weakly, more disparate power of the Federal Government, because that would make it less intrusive into your hometown.

You see, the building blocks of Iraqi society are the family and the tribal relations. It is not the allegiance to the centralized Federal Government. And so I think that the more power that the Federal Government will have under this Constitution, the more endangered the average Sunni, or in other areas, other Iraqis are going to feel at the ground level, at the family level, at the tribal level.

Which is why within that federation that I again go back to the fact that I would have hoped that at some point that we would have had a resolution, or at least a final decision on whether or not this new government, under that type of a structure, could have had something like an oil fund that would have provided a direct tangible, palpable benefit to the adult Iraqis, because that would have helped to curb the Sunnis' fears that there would be no economic future for them in that country.

It would have helped with a census count to get the per capita adult population. It would have protected the oil reserves because no one in Iraq would want a foreign fighter coming in and blowing up something that was going to put money in their pocket or their family's pocket.

It would reduce, again, the Sunnis' fear and incentivize them into participating in the government, less they be cut out, and it would decentralize the greatest power base for any would-be tyrant to arise again in Iraq, which is the control over that oil and the revenues therein.

But we have not had a decision on that, and that is frustrating. And in terms of the overall reconstruction, another frustration is that I represent an area with a large Chaldean-American population.

Now, these individuals tell me, and from what I have seen when I have been over there from average Iraqis on the street, is that they are not seeing enough of the reconstruction money at the grassroots level. Again, this plays into the perpetuation of Sunni fears, and even Shiite fears that the United States is there to exploit them.

The oil fund would certainly tell them that we are not there to steal their oil if they are making money off of it. But, secondly, in the larger construction projects that we have had, we have had instances where individual Iraqis on the street have been very upset about the fact that outside foreign contractors have come in to perform jobs within their towns, within their communities.

Now, representing a manufacturing district, I can understand this. I think a lot of Americans can relate to the fact that if someone has a job, and all of a sudden, they don't have a job, and someone is being brought in from outside the United States to perform that function, and gain that employment, that would make them very, very upset.

I think that there has to be more of an emphasis on that. Now, you did say something that I found interesting. You talked about the provincial redevelopment committees, and you talked about them in the future tense. I take that as that they will be set up. Was that accurate, or are they in place already?

Ambassador JONES. Most of them are in place already. In fact, I believe they are all in place, but I used the future tense because I am not 100 percent sure they are all set up.

Mr. MCCOTTER. Now, these one-stop shots, are these entrepreneurial or are they residual? Are they there to empower individual Iraqis with their economy, and with contracts, or are these basically a place where grant money or loan money goes into a community, and then is distributed?

Does this help generate economic activity among the Iraqis themselves, or is it kind of a pass-through or directional?

Ambassador JONES. No, it is supposed to involve them in the planning process so they can take active ownership of the projects that are being—that donors are willing to implement in their local area.

Mr. MCCOTTER. And they would have control over hiring?

Ambassador JONES. They would be involved in the contracting process, yes.

Mr. MCCOTTER. Would they have control over hiring? I am not concerned about the contracting process. What I am concerned about is that when the contract is left, that it is Iraqis performing the construction and the projects in those areas.

Ambassador JONES. No, no, the intention clearly is to move in the direction that you are recommending, sir.

Mr. MCCOTTER. But I would like to know, and you don't have to tell me now, but I would like to know, to make sure that the Iraqis have control over the hiring of individual Iraqis within those communities.

Ambassador JONES. Subject to legal restrictions on various donors.

Mr. MCCOTTER. What type of a legal restriction would you place on that?

Ambassador JONES. You would have to have some oversight responsibility. I mean, we are not giving the money to them and saying, "Okay, you guys do it." I mean, it will be a collegial process, where they would have a great deal of input into the contracting process, which would include the hiring.

I mean, we clearly agree with you, sir. It is just a question of making sure the money doesn't disappear into somebody's pocket rather than the work being done.

Mr. MCCOTTER. And I appreciate that, Ambassador, but it is from the small vignettes of life that the rich mosaic appears, and what happens when you tell people that they are perfectly capable of building their own Constitution and fashioning a new democracy, but God forbid that we trust them to hire their own Iraqis, that seems a bit counterintuitive.

And again if I were an Iraqi, I might be a little upset with that. So I would look at ways that we can maximize the empowerment of these individual Iraqi provincial councils, because this is what should be occurring at the local level, too.

Ambassador JONES. We agree with you, but we have legal requirements that Congress insists on in how we spend the money that you provide us.

Mr. MCCOTTER. And I will be more than happy to engage if you can find me ways that I can be helpful to relieve you of that burden, and I will certainly do that. Also, let us not forget that there will be slag in this process, whether money is given to a national government, or it is given to a provincial council, or it is given to a town council, there will be slag in the process.

And I don't think that one needs to look any further than the current controversy surrounding Congress, or something that many municipal governments, such as the Cook County Water Super Board, to recognize that we have not quite eradicated total corruption and nepotism from the United States Government either, no matter how much we try. So let us not expect more of the Iraqi people than we expect of ourselves. We can only try to help them along the way.

And finally a caution that I think the Chair, the distinguished gentlelady from Florida, pointed out. I am very concerned about external subversion by Iran within the new and nascent Iraqi democracy. It is often easy to look back on the time of the late 1970s to early 1980s and the buildup of the Iran-Iraq water, to think that everyone who was chased out of Iraq was a murder to Saddam.

We do know that in that period of time, in the wake of the Islamic Revolution in Iran, the radical Khomeini regime tried to undermine and subvert the secular Ba'athist regime in Iraq, including assassinations, car bombings, et cetera.

Now, some people were rightly refugees from Saddam's brutal oppression, because they had democratic beliefs. But there were others who were not, and many of them are going to come back across that border, and they have been coming back since the end of this

war because they have been waiting 20 years to help lead that revolution within that Nation State of Iraq.

And I think that Sauders, that many of his followers fit that bill. I would hope that in the Constitution process that it would find ways to help curb the check of anyone who would care to assume some type of power, or infiltrate from within.

Now, I certainly don't mean this in the instance of the prime minister, but let us not forget that in some of the sects of the Muslim religion, it is not only permissible to lie to the infidel, it is a duty to lie to the infidel.

So I am not always ready to take things at face value under the circumstances. For those who think that it would not be possible, I would remind them of the Spanish Civil War, where at the height of Franco destroying the Republic, you still had the anarchists and the libertarians, and the liberals, and the communists, fighting it out amongst themselves to see who would be the last person standing on the *Titanic*.

So I don't rule that out. Also, it is finally a plug in terms of looking at that Constitution. A decentralized government, where the oil revenues are predominantly owned by the Iraqi people, it would be far harder to subvert from an outside source than would be a highly centralized Iraqi Government, where the oil revenues are controlled by a central government. But that is just me. Thank you.

Mr. FORTENBERRY [presiding]. Ms. Berkley.

Ms. BERKLEY. Thank you very much, Mr. Chairman. Ambassador Jones, there is no doubt in my mind, although I don't know you, that you are a very hard-working and well-meaning person. And I have been in Congress for 7 years, and the last few years since we went into Iraq, I have attended almost every confidential briefing, every classified briefing, every hearing that I possibly could, to glean more about what is going on there on the ground in Iraq.

And I have to admit to a certain frustration sitting up here. So, while the witnesses sitting down there are probably looking up at the Congresspeople, and getting very annoyed by our questions, I can assure you that our frustration up here matches that, because we sit in hearing after hearing, and I can only speak for myself, but I have to tell you that I still don't think I get what I need, the information that I need, to make informed decisions and vote in an accurate manner by listening to some of this testimony.

Now, I agree with Mr. McCotter. This is a very complex issue, and I don't want to minimize it at all. It is a combination of politics, economy, and military, and we are in a quagmire in Iraq. And some of the issues that have come out in this hearing, I would like to explore.

And I don't know whether you are going to provide any more meaningful answers than we have heard already, but I share the concern of my colleagues when we talk about the newly-formed Iraqi Government developing closer ties and relations with the Iranians.

Iran is a very dangerous radical fundamentalist country right now. The Iranians just elected perhaps the most conservative radical Islamic fundamentalist that they possibly could to lead their nation. That does not bode well for the United States and our leadership ability in the Middle East.

It would seem to me after listening to the President's remarks last night and his position that we are now in Iraq to fight the terrorists, that our so-called Arab allies, although I think there are precious few of them, would be more willing to step up to the plate and help us in Iraq since that is the region in which they reside.

When you talk about the pledges that were made at the last conference, and the potential in Jordan of actually making good on these pledges, it would be a first, because our Arab friends have made pledges before, and they have promised to get involved in the Middle East process, and they have promised to help fund it, and we are still waiting for the first nickel.

And that is especially true when it comes to Saudi Arabia. They pay suicide bombers families, but they haven't done much to improve the infrastructure of the Palestinians. So I think if we are waiting for the Saudis and the other Arab countries to step up to the plate and help us in Iraq, and help the Iraqi people, I think we are going to be waiting a good long time, and that worries me, too.

When you talk about 170,000 Iraqi troops, and I realize that there are different categories, and the other day we heard that it was 162,000, and when we also met with the prime minister, he mentioned 30,000.

I don't think Members of Congress have an accurate idea of what this is. I would like to know. I think it is very—according to the Administration, and your figures, there is approximately 170,000 Iraqi troops and security personnel under the command of the new government.

I don't think anybody realistically believes, at least people sitting here, that there are 170,000 Iraqis who are trained and ready to take the place of American soldiers.

The problem is that we don't know how many there really are. We don't know the extent of their training. We don't know to what extent they can handle anti-insurgency and anti-terrorist activities without our support; and we don't know if they have the equipment and the infrastructure necessary to do the job.

And when Mr. Ackerman asks how many are fully trained, and how many of these Iraqis are ready to take the place of Americans, because the President said that when they are ready, American soldiers can come home. My constituents want to know when that is going to happen.

So rather than talking about an American timetable to get out, what I think we need to be concentrating on is an Iraqi timetable. When will the Iraqis be ready for self-governance, and when will they be ready to take control of their military so we can in fact stand down?

And 170,000, if we have 130,000 American troops there, and there are 170,000 Iraqis, that seems like a pretty good number. But it is obviously not. So do we need 300,000, 400,000, 500,000?

At what point will we reach critical mass so that American soldiers can start coming home? I don't know whether you want to answer any of those questions, but those are what keep me up at night, and those are the questions that my constituents are asking me. I don't have an answer, and I have yet to get an answer from anybody here representing the Administration.

Perhaps you could enlighten us. And one more thing. When I listen to the Secretary of Defense, who has not gotten one thing right yet, tell us that it is going to be another 12 years, where did he pick up the 12 years? Did it come to him in a dream, in a vision? Does he have any evidence about 12 years?

Because there are other people who have said that we are going to be in there forever, and quite frankly, I don't want to be in there forever. I think we are putting our Nation at tremendous risk.

If there is another problem in the world, we are going to be in a world of hurt trying to defend our national interests elsewhere, and that is the problem about staying in Iraq forever, or staying in Iraq for 12 more years. Would you help me out here?

Ambassador JONES. I come back to the remarks that I made at the beginning of this session. We have a strategy. It is an integrated strategy. It relies not only on the training which you are emphasizing, which is important. But it also has other elements.

The other elements are political and economic. And the political and economic are more of the bastion of the State Department than the training. I am trying to do my best to answer your questions, because I feel that they are serious questions, and I am answering them to the best of my ability.

But I am not going to comment on comments made by Secretaries from other departments. I prefer to stick with my own boss, and she has addressed this type of question recently, and she understood that it is difficult for the American people to see how we are making progress when they see the images of carnage on television screens every day.

And so she said that it is easy for some to say that the insurgency is getting stronger, because that is what they see on television every day. But to defeat an insurgency not just militarily, but politically, and every day when Shiite, and Kurds, and Sunnis, and especially Sunnis, see their future in the political process, not in violence, the insurgents are losing the support of the Iraqi people.

And when an insurgency loses the support of the population, then it does get weaker, and that is what we are trying to do.

Ms. BERKLEY. What evidence do you have that that is happening at this point?

Ambassador JONES. We have a lot of evidence that that is happening. We have many Sunni groups that boycotted the elections, that refused to participate in the elections, that are now actively engaged in the political process.

That have lobbied the government to get Sunnis included in the government itself, which they did successfully, and have now lobbied the government to expand the role of Sunnis in the constitutional drafting process.

And we have polling data which shows the same thing; that the Sunni rank and file are mad at their self-proclaimed leaders for boycotting the elections, because they saw that had they participated in the elections, they might be calling the shots, or they at least might be a lot closer to calling the shots than they are by having boycotted the elections.

And so we have seen a real change in the attitude in the Sunni rank and file. We have seen a change in the attitude of the self-

proclaimed political leaders of the Sunni community, so that they are now participating actively. That is a fact, Congresswoman.

Ms. BERKLEY. Are they also willing to step up and stand in the way of the insurgents, who are largely——

Ambassador JONES. More and more tips are coming in. We are getting more cooperation from people in communities helping us point out and apprehend elements of the resistance. This is true. This Operation Lighting, it captured hundreds of insurgents in the Baghdad area. Many of those insurgents were captured because of tips from Iraqis.

The al-Qaeda leader in Mosel who was captured was captured because of a tip. So, yes, they are standing up. They are helping and progress is being made.

Ms. ROS-LEHTINEN [presiding]. Thank you, Ambassador, and I am pleased to recognize Mr. Fortenberry.

Mr. FORTENBERRY. Thank you for coming today, Mr. Ambassador. I appreciate the opportunity to speak with you. In a former political life, I was a city council member, and we have a project called the Antelope Valley Project. It is a $200 million project, which for a town of my size is very, very significant.

But it is directed to achieve multiple policy benefits; of transportation improvements, flood control, and urban revitalization. But it looms out there as a $200 million project, and so I suggested recently, because I have close ties to the hometown, that we begin to phase this.

And I think the lesson is that if you can point to when phase one is done, and when phase two is done, it takes away or it gives the people a sense that we are making endroads, and we are making good progress.

And in that regard, I think it is always important for us as we work through a difficult moment, and we may be in a difficult moment right now with a spike of insurgency, clearly, we look back at some of the remarkable political achievements that have been implemented in a country that has no cultural or historical foundations for implementation of a system based on democratic principles.

With that said, I think it would be helpful if you could point to what that next phase we are looking at, and give a little bit more detail, namely the drafting of the Constitution.

Do you think that is a firm date, August 15th? What do you project will be the outcome in the Constitution? How will Islamic law be handled within the context of, again, certain democratic principles that I assume are going to become an important part of the future working mechanism of the Iraqis self-governance?

So if you could comment on that, I think it would be helpful, again, to set that next phase, or give a clear understanding what this next phase is. If we are close to implementation, that would be helpful. If we have got a ways to go on it, it would also be helpful. But it clearly lays out the next goal.

Ambassador JONES. Okay.

Ms. ROS-LEHTINEN. If the gentleman would yield for a minute. It is a most excellent question that gets us right back to the heart of this hearing, which is how far we have come in such a little bit of time. We forget to put it in perspective.

And we will give the Ambassador sufficient time to think about good answers to those probing questions of Mr. Fortenberry. So the Committee will briefly suspend as we go to the markup before we lose our Members.

[Recess.]

Ms. ROS-LEHTINEN. And we will now go back without objection to the testimony of Ambassador Jones, who has been mulling over the very intelligent and thought-out question of our good friend from Nebraska.

Ms. BERKLEY. Madam Chairman?

Ms. ROS-LEHTINEN. Yes? I am sorry, Ms. Berkley.

Ms. BERKLEY. I apologize for interrupting, but I am going to have to leave. May I submit my opening statement for the record?

Ms. ROS-LEHTINEN. Yes, and I apologize. That means that I did not recognize you for the opening statement on the markup?

Ms. BERKLEY. You did and I deferred.

Ms. ROS-LEHTINEN. Okay. That was for the hearing itself? Thank you, Ms. Berkley. Without objection, it shall be entered. Thank you my good friend.

[The prepared statement of Ms. Berkley was not received prior to printing.]

Ms. ROS-LEHTINEN. And Mr. Fortenberry, you had just—if you wanted to reframe your question, or restate your question.

Mr. FORTENBERRY. Well, it was so longwinded, I hope that I don't have to restate it. I may not remember it. But basically, if you could give an update, or a bit more detail on the progress; that we touched upon the Sunnis. When I was in Iraq, there was clear regret on the part of Sunni leadership that they had not participated more actively earlier.

I touch on that, as you will, as this deadline nears, and it is looming for the completion of a Constitution.

Ambassador JONES. No, I appreciate the question very much, because on the surface of it, it sounds like writing a Constitution between now and August 15th must be nearly impossible. But in fact the Iraqis are not starting from ground zero.

I mentioned of course the Transitional Administrative Law. There is an agreement between the two major parties in the governing coalition, the United Iraqi Alliance, and the Kurdish Alliance, that they will use the principles of the transitional law in drafting the Constitution.

And the transitional law in fact is a very comprehensive document. It is a document that I think, I would dare say, would stand scrutiny compared to many Constitutions in the world, particularly in terms of its protection of individual rights.

And so it is a very good basis from which to begin. It answers some of the questions that you raised Congressman, especially, for example, with the role of Islam, and so on and so forth, in a manner that was satisfactory to all the Iraqi communities.

Those communities were represented in the governing council. The governing council adopted the transitional law by consensus. It was signed into law by Ambassador Bremer as the Administrator of the Coalition Provisional Authority. But he only did that after it had received consensus from the Iraqi Governing Council, where-

in all of the various communities and the Iraqi politic were represented.

So I think it was largely acceptable, even to the minorities, in terms of the protection of their rights, as well as to the majority, in recognizing what they see as the fundamental role of Islam in their country.

So we have a basis. Also, I pointed out that the constitutional drafting committee is working to add Sunni representatives, and they have a formula for doing that. The actual names are expected to be approved shortly, but they have a clear agreement in principle on numbers, and on the role that they would play.

The drafting committee will operate by consensus. It will contain about 70 members. My understanding is that their plan is to add 15 additional Sunni members, who would be full members of the committee; and another 13, who would be kind of an advisory council for the Sunni participants, and they would be basically non-voting observers to the process.

You mentioned the deadline. August 15th is coming up, but as I said, they are not starting from ground zero. In fact, the drafting committee has already constituted itself into six subcommittees. Those subcommittees have begun work already.

Some drafting has been accomplished. Great areas of the document should be noncontroversial. They can be taken largely from the transitional law, or from other bodies of Iraqi law, or from other Constitutions. And so we don't anticipate that there will be a great deal of controversy on many of the articles of the Constitution.

And drafts are being prepared now. Obviously, no draft is final until it goes through the full committee, and that won't happen until the Sunni mergers have been added. So that we do believe that by the time that we approach August 15, we will not only have a draft, but we may well be into a third, or fourth, or fifth draft of the Constitution.

Because they are working I think quite expeditiously and efficiently, and a lot of the ground that we are talking about has been plowed before in the negotiation of the transitional law.

Now, there are clearly some very controversial and difficult areas, where real political deals will need to be made, and that do need to be struck. But our sense is that, again, this is not virgin territory. These are issues that the parties have discussed with one another and debated with one another in the past in the governing council, and in the drafting of the transitional law.

And in fact the relative political weights in the national assembly are very close to the same weights that were represented on the governing council. So I don't see that we are going to see fundamental shifts in the point of view that will be represented in the drafting committee or in the Transitional National Assembly, compared to that which was represented in the governing council.

So my suspicion is that in many areas the solutions will be familiar. They won't be identical, but they will be familiar. And so I do believe that it is possible to have a draft accomplished by August 15th, and to have the ratification of the document take place as scheduled on October 15 through the national referendum. It is doable.

And I say that having just come from the meeting in Brussels, where a number of Iraqi ministers were represented. I heard nobody express any doubt whatsoever that they would not make that time line.

Now, having said that, there is a provision for extending the drafting, as Congressman Ackerman, I think, was alluding to. There is a possibility in the transitional law to allow the extension of the drafting process if the national assembly decides by August 1st that they are not going to make the August 15th deadline, and they can then extend up to 6 months.

That would be an Iraqi decision based on their assessment of the situation at the time. My reading as one who talks with Iraqis a lot, and as one who has observed the process, is that they will not avail themselves of that. It is their decision to make, not ours.

Mr. FORTENBERRY. Well, that is helpful information. Having been there after the election, there was a spirit of triumph. That again it was a measured progress that was made, obviously with turnout that was higher than most American elections.

It was not only tremendous for morale of the Iraqi people, but also for American military personnel, who have sacrificed so tremendously. But we all know that those windows of momentum are short, and so I think encouraging, helping, and your assessment of the August 15th deadline is achievable, I think, is good news. Thank you.

Ambassador JONES. Sure.

Ms. ROS-LEHTINEN. Thank you so much, Congressman Fortenberry. And Mr. Chandler, who has been so patiently awaiting. Thank you, Ben.

Mr. CHANDLER. Madam Chairwoman, thank you very much for holding this hearing. I think this is a very important hearing, and I am glad that we have the opportunity to explore some of these subjects.

And, Mr. Ambassador, I thank you for your service to our country now in this very difficult circumstance, and your past service in many different roles for our country. I appreciate it very much.

I would like to explore if I could a little bit about the financing of the situation in Iraq. I don't know how much you can tell me about it, but what we are spending in Iraq seems to me to be quite the moving target. I don't know whether it is $200 billion, $300 billion.

I know that this Congress has authorized a great deal of money, and it has authorized at least $300 billion for this effort and the effort in Afghanistan. How much of that is attributable to Iraq, I am not sure.

But I think it is safe to say that it is a considerable sum of money, and it is quite taxing to the American taxpayer. You know, when you throw around figures like that, it gets a little confusing to the taxpayer as to the difference between $200 billion, $200 million, and $200 trillion. It is a little bit confusing.

But to put it in perspective, it has been helpful to me to notice that we are getting ready in this Congress, at least I think we are getting ready, to pass a bill to pay for roads, for road construction in this country for the next 6 years throughout these United States, at a total cost of $280 billion.

So for me that puts it in perspective. We are spending about as much money, or in the neighborhood of about as much money on Iraq as we are spending on the roads of this country for the next 6 years.

Now, with that in mind, I would like to know what we are doing to see that oil production in Iraq is increasing. I would like to know what we are doing to see that Iraq oil production, if anything, what oil production is being used to defray some of the costs to the American taxpayer.

And you threw out the figure $500 million that Kuwait, for instance, is providing to our efforts in Iraq, or to the efforts in Iraq. I find that to be a paltry sum of money in the whole scheme of things. That is less than $1 billion, particularly considering the fact that we went into Kuwait and liberated that country.

It would seem to me that they could foot some of the bill. All of this in the context of our people paying $60, or roughly $60 a barrel for oil, and the price at the pump going up dramatically every single day in this country.

We are spending hundreds of billions of dollars to deal with this situation in Iraq, and at the very same time, sending untold amounts of money over to that same area to pay for the oil that they are producing and that our consumers are using.

Given all of that, it would seem to me—particularly since we are paying a heavy toll in the loss of life, in the maiming of our brave young men and women—these people ought to be doing much more, in my view, to defray our costs. What are we doing in that regard?

Ambassador JONES. Iraq is currently exporting around 1.4 million barrels a day of oil. Even at today's prices that is not enough oil to cover fully the expenditures of their own budget. They have a budget shortfall in Iraq, part of which is covered by assistance from donors like ourselves and the Japanese, and other donors; part of which is being covered by the IMF through its lending programs. So the short answer is that all of Iraqi oil revenues are spoken for by expenditures for the Iraqi Government budget.

Now, what does that government budget go for? The vast majority of the expenditures in the Iraqi budget are for salaries of Iraqi Government employees, the majority of whom are members of the security forces.

So in effect the Iraqi oil money, a large proportion of the Iraqi oil money is going to fund the security expenses for the country. So I don't know if that fully answers your question, but in fact Iraq is paying out of its oil money as much as it can for the defense of itself, of its country.

Mr. CHANDLER. Where are we in terms of getting the oil production up to the levels where it was prior to the invasion?

Ambassador JONES. Oh, I think we are up to those levels, in terms of production. Total production is a little over 2 million barrels a day, and I think that is about what it was before the war. We have had difficulty getting beyond that because of sabotage, attacks on infrastructure.

This is an issue that has been of continuing concern, and we have been working very hard to develop a plan for improving infrastructure protection, and that plan is now being implemented. It

involves training and equipping of special Iraqi forces to engage in the protection of the infrastructure.

And also we are looking at the hardening of particular key nodes in the infrastructure to protect them from disruption by insurgents. So we are looking at this issue, and we are working on it.

We have also transferred money to do things like workovers of wells, and to look at refurbishing or constructing gas oil separating plants, which are necessary to be able to increase oil production. So we are working with the Iraqi Ministry of Oil to help it in key areas to de-bottleneck and to expand their production.

So this is an area that we agree fully with the comments that you made, and we are working to redirect our assistance program to, in fact, expand oil production.

Mr. CHANDLER. Well, the sellers of oil, like Kuwait, are essentially reaping an enormous windfall as a result of the spiking of oil prices internationally. Don't you believe that a country like Kuwait, particularly given what we have done to give them their independence essentially, don't you think that a country like that ought to be contributing a little bit more to the cost of an effort like this? And particularly since we are sending so much money in revenue in that direction just by paying for what we have to pay for at the pump. Shouldn't they be contributing a little bit more than half of $1 billion?

Ambassador JONES. Well, of course, the figure that you cited is the figure that they pledged in Madrid. It is not the total amount of money that Kuwait has spent.

Mr. CHANDLER. Do you know what that figure is, the total figure?

Ambassador JONES. I don't know the total number, but I do know that while I was Ambassador to Kuwait, early on the Kuwaiti Parliament appropriated $500 million Kuwaiti denars in support of our presence in Kuwait, and in preparation for Operation Iraqi Freedom, and that is about $1.6 billion.

It was appropriated within the Kuwaiti Parliament for support for Operation Iraqi Freedom, and as the American Ambassador to Kuwait, I was instrumental in the discussions which I think encouraged that step to be taken.

Mr. CHANDLER. Is it your belief that that is sufficient support?

Ambassador JONES. Well, I am not going to get into what is sufficient, because——

Mr. BOOZMAN [presiding]. In the interest of fairness, let us move on and then if we can, we will come back. Mr. Mack.

Mr. MACK. Thank you, Mr. Chairman, and thank you, Mr. Ambassador. You know, this is a tough time, I think, for all Americans and for a lot of people all over the world. Our men and women are fighting in Iraq for a noble cause, the spread of freedom.

And as I look back and think of from where we have come, and where we are now, it has been astonishing, really, if you think of the progress that has been made. But I am curious to know if you could give me an insight of what you believe the trials of some of the former regime officials, what kind of impact that has on the political landscape in Iraq.

And then specifically the trial of Saddam Hussein, and what impact that might have on democracy in Iraq.

Ambassador JONES. I think that is an excellent question. A lot of people have asked why it has taken so long to prepare the trial, and one of the things I think explains that is that a lot of careful preparation is going into this trial, and not just to the trial of Saddam Hussein, but the entire process.

A lot of work has been done, for example, to exhume and do forensic investigation of mass graves, to document exactly who the victims of these crimes were, because only by documenting the victims can you actually follow the paper trail through to decide on responsibility.

And I think that when the trials take place and the Iraqi people see for themselves the work that has been done to prepare the trials, they will be very proud. They will be proud of their justice system for having done this work, and put together all these pieces of information.

And I think that it will show those people that still cling to the support or the fantasy that Saddam was somehow a great leader, will begin to realize just how brutal a regime he was leading, and it will force them to come to terms with the fact that he did not deserve to lead that country. Their country deserves better.

And I think that it will have an impact on the resistance, the insurgency, whatever you want to call it in Iraq. Those people that dream for a return to their former regime, which are in the minority, but are still significant when it comes to creating violence in the country, I think it will damage their support. I think it will help turn a corner in the fight against the insurgency.

It is not a magic bullet. I don't think there is a magic bullet on defeating the insurgency. That is why we have an integrated strategy. That is why we are trying to train Iraqis. That is why we are trying to make progress on the political front.

That is why we are trying to do what we can to spend the money that Congress has so generously provided in a manner that we think will contribute to the overall economic development of the country. The trials are a part of that.

But they are trials that are going to be led by an Iraqi justice system, and I think that Iraqis will be proud of their system when they see how it has functioned, and when they understand the magnitude of the crimes, I think that will weaken support for Saddam within his own community.

Mr. MACK. Thank you, Mr. Chairman, and I agree with you. I think when all of us see exactly what Saddam Hussein had been up to for many years, I think it will open a lot of our eyes and recognize how brutal of a dictator he really was. Thank you very much.

Ms. ROS-LEHTINEN [presiding]. Thank you, Mr. Mack. Mr. Cardoza.

Mr. CARDOZA. Thank you, Madam Chair. I want to start by thanking you for holding this hearing. I have been complimentary of your efforts on a number of fronts, and I want to continue that, because the work that you are doing here is important.

I want to start off by prefacing my statement by saying that I am not part of the cut and run crew. I believe that we must succeed in Iraq, or else it will have devastating consequences for our

country's long-term involvement in the region, long-term involvement in the world, and long-term security for the United States.

Having said that, I will challenge you, Ambassador Jones, that having sat through a number of these hearings, largely of which the Chairwoman has organized, we continue to get conflicting information from the Administration, some of which we can't even talk about because it is given to us in classified materials.

But I will tell you that the information that we receive oftentimes does not jive from one administrative agency to another, and that is incredibly distressing to me. And I know that the other Members of the Committee have talked about it, and shared those kinds of concerns.

There is a significant credibility gap in the Administration testimony, and you talk about a strategy, and that the Administration is carrying out a strategy. I would love to have a briefing on what that strategy is, because frankly I hear vague references to it, but I don't hear the detailed information that would make me confident as a Member of this Congress that in fact the Administration has an effective strategy.

And it is one thing to have a strategy on paper that you can point to for political reasons, or for different kinds of reasons, but one that is actually working is what the American people care about.

The American people want success. They have invested an awful lot. They have sent their young men and women over there, and a lot of them have not come back alive, and a lot of them have come back maimed.

They really want you to succeed. There is not a Member of Congress that I know that doesn't want this Administration to succeed. And with that, I don't want a timetable. I certainly don't want us to pull out. But I have written an editorial that ran in my local papers this weekend, and I am not just going to sit here and criticize your strategy. I have offered my own.

And that is to take as Mr. McCotter suggested earlier, allow the Iraqi people to use their own resources. I am told that they have 111 billion barrels of oil in the ground there. That is one estimate anyway. At $60 a barrel, that is a vast sum of money. That puts them in one of the richest countries in the world if we just help them, empower them to help themselves.

And I believe, as Mr. McCotter has said, and I was not here during his testimony or his statement, that he is talking about allowing them to section off part of their oil fields. I agree with that, and I didn't hear all of his statement.

But I believe that the international community should help the Iraqi Parliament section off some of their own assets, collateralize those assets, and help them pay for some of their own security. The American people are providing 90 percent of the resources over there that are being expended; and 90 percent of the casualties, and we certainly aren't 90 percent of the world population.

This is a globalized effort. I think that once we are able to collateralize some of their resources or help them collateralize some of their resources, then they can go about doing a strategy that works.

So I am going to give you five points that I think just generally are necessary. Number 1, first and foremost, we have to close the borders there. We have to keep the foreign fighters from continuously streaming into that country.

Second of all, we have to help the Iraqi people police the streets, and I believe these resources could do that. Third, obviously we have to help them build a strong standing army.

Fourth, we have to help them secure economic development zones, especially in the Kurdish region in the north, and the Shiite regions in the south, to help them see what economic prosperity could be for their country. We have to show them a path.

And finally, we have to rebuild the infrastructure, which includes utilities, transportation, and education. I believe that the Administration has not truly wanted to internationalize this effort, and until they do, we are not going to have success. We need to have a second round, another Madrid, another something, where the Iraqi Parliament asks the world to come in and help them, and I would like to have your observations on these points.

Obviously, I have thrown out a lot at you in a very short order. But I would love to have some observations based on some of my comments.

Ambassador JONES. Actually, your suggestions are not unlike what we are doing. We are working very hard, for example, to close the borders. We have a clear program, and one of the things that we are doing is, we are literally building hundreds of border forts while we are training personnel to man those border forts and equip them.

So we are proceeding to do our best to close the borders. We are already on track on that front. Police? Absolutely. We have got I think 90,000 police that have been trained, and we are continuing to work to train them to greater sophistication.

Mr. CARDOZA. Mr. Ambassador, if I could for just a second, because those kinds of numbers don't jive with what we have read in the *New York Times* and *Washington Post* the last couple of weeks about the borders and what is happening. I know that you say that we are trying to do the effort. My whole point, and I really want to be respectful to you on this, but my whole point is that we are doing it alone. We are doing it.

And we need to empower the Iraqi people in a more effective way. The numbers that we are seeing in other venues don't jive with the number that you just gave me of 90,000. Effective. And the folks are not showing up, and they are not able to do, and what I am advocating is not that we quit. I think what we are doing is all fine, but that we need to do significantly more, and that is not within the capabilities of the current construct.

And so I am advocating that we take their own resources and ask the world to just help us in a more effective way, and actually ask the Iraqi Parliament to ask the world to join them in rebuilding their own country.

Ambassador JONES. No, I was taking them in the order that you presented them.

Mr. CARDOZA. I apologize if I went up one.

Ambassador JONES. But the point is that closing the border, that is going to involve tens of thousands of Iraqis out there on the bor-

der. We are providing them with the places to stand and the equipment to use. But it is Iraqi bodies that are going to be out there guarding the border.

And the same is true of the policing of the streets and building the army. We are working with the Iraqis on all of these projects. We are working on economic development. One of the things that we are very actively doing is pursuing the reduction of debt for Iraq.

I mean, a lot of attention has been focused on the issue of offers of assistance, but in fact the debt numbers are huge. Saudi Arabia alone probably is owed over $30 billion. If Saudi Arabia provides debt relief according to the terms of the Paris Club, it would be relieving more than $20 billion in debt, which would have a very important impact on the Iraqi economy.

And it is true of the other Arab states as well. We are working to rebuild the infrastructure. Your issue on internationalizing the efforts, we agree completely. This is exactly what Brussels was all about. It is what Madrid was about a year-and-a-half ago.

And we have seen the efforts after the Madrid lag, and so what we are trying to do is re-energize those efforts and expand those efforts. You mentioned the presence of the Iraqi Parliament. The Iraqi Parliament was represented in Brussels. They did take part.

The chairman of their constitutional drafting committee was there, and their Speaker of Parliament was there. Their Speaker of Parliament addressed the group in Brussels, which had 80-something participants, and 60 foreign ministers were in the room when the Speaker of Parliament addressed the session.

And his presentation was one that I think had the most impact on the people who were present, because he spoke from the heart as a politician, as did the prime minister by the way. So what I am trying to say is that the strategy we are following is quite similar to the one that you are recommending, Congressman.

We do agree that we need to internationalize the effort. We do agree that we need to bring the Iraqis in and be partners with them. It is their country after all. In fact, they have to lead many of these efforts, and all the strategies that I am talking about are strategies that have been developed in concert with them, in discussion with them.

We are not sitting here in Washington writing a strategy and sending it out and saying, "Here, impose it." And this is why, on the issue that Congressman McCotter raised, the issue of the Alaska fund, or the issue that you are suggesting, setting aside part of the funds to collateralize, those are decisions that would have to be made by the Iraqis.

The United States is no longer the Coalition Provisional Authority. Those days are long gone, over a year now as of yesterday, and so these are decisions that the Iraqis are going to have to make. We can help push them in certain directions. We can help advise them, but we can't make the decisions.

In fact, and I am sorry that he is not in the room, but I have been looking for an opportunity to mention it, but the Iraqis are interested in an Alaska-styled fund. That is an idea that they are considering. Now, whether or not it will be approved, I don't know, because as I pointed out, they have serious demands on their oil

revenues at this time. They already have a huge government budget deficit.

But in the long run, they do agree that something like that does make good sense for Iraq. So I find it reassuring, and in fact encouraging, that we have as much commonality in this discussion not only between the Administration and the Congress, but also in issues that we have discussed with the Iraqis. And I think there is a lot of sympathy for the ideas that I have heard today in Iraq, as well as in Foggy Bottom.

Mr. CARDOZA. A very brief follow-up, Madam Chair. I think until we secure the borders, Ambassador, and you can please comment on this, that this flood of suicide bombers or insurgents, whatever you want to call them, is causing us tremendous grief there, and it is causing the Iraqi people more importantly, and our soldiers, tremendous grief.

And so while or unless the accounts that I am reading in some of the newspapers who have embedded reporters are inaccurate, that we have to do much more along that border. There is a 500-mile border, and I read that there were minimal troops, or not enough troops to certainly close it off.

And wherever we are, they aren't, and they have a very good intelligence network to move around and to avoid us, much as we have in our own southern border in the United States. So that indicates some of the problems that we have.

And that is why I say that there needs to be a much greater magnitude multiple times of what we are doing. The American people, as we have seen in the polling, aren't willing to send more troops. Not even if we have them to send, because we have many challenges across the globe.

So that is my point, that the Administration needs to truly encourage a different strategy, and while we agree on the terms of the strategy as you have just said, it has to be much greater in intensity as far as bringing in other folks to help.

Two hundred and fifty Australians, I think, was your comment earlier to Mr. Ackerman's question, and that isn't going to get the job done.

Ms. ROS-LEHTINEN. If you could give a short answer and then I would like to move on to Mr. Boozman, and Mr. Ackerman has a follow-up question.

Ambassador JONES. Okay. These things take time. We are working to build border forts, and we are working to train people, and we are working to equip them. There is a schedule, and it is being followed. But it does take time.

Can we intensify efforts? Yes. And in fact, I would say that we are intensifying efforts, particularly with the international community.

Mr. CARDOZA. Thank you, Madam Chair, for the hearing.

Ms. ROS-LEHTINEN. Thank you so much, Mr. Cardoza. Mr. Boozman. Thank you.

Mr. BOOZMAN. Thank you, Madam Chairman. First of all, I want to thank you for your efforts. This is a very difficult situation and I know that you are all working very, very hard.

I am a member of the NATO Parliament, in the sense of representing Congress, and have been for the last 2 or 3 years, and

have really noticed a tremendous shift in the last 2 years of the countries that fought us the hardest understand that though they did not agree with us doing it, they understand that now that we are in it, it is to no advantage of the Iraqi Government, the Iraqi people, and in the whole stability of the area for the Iraqi Government to fail now.

And so something that I have been pleased with is that it has been alluded to on what the rest of the world is doing. I think many of those countries that fought us so hard are training Iraqi policemen, Iraqi military, not in Iraq, but doing it in Jordan, or other countries where they can do that.

And so I have been very, very pleased with that, and like you said, there has been a tremendous shift in sentiment. I am not as aware though as far as—and this is really what the hearing is about, is about the political process.

What are some of those countries doing to help us politically as far as the election process? We had a situation where you go into a country where there is no history. We take for granted having a census, just the very basic thing that you need to have in an election, and a county government.

I was in Fallujah, and had the opportunity to visit with the town council of Fallujah, and some of the Sheiks, and the Mullahs, and things, and incidentally they were upbeat. This was in the heart of the Sunni triangle a few months ago.

But can you tell us what some of the other countries are doing in that respect?

Ambassador JONES. I thank you for that, because other countries are participating actively. You mentioned the police training. The European Union at Brussels described a new program they have, which is called the Europe Justice Program, which is a program to strengthen the rule of law in the country. It involves training for police, but it also involves training for judges.

Of course, we are also doing legal training. At Brussels, a number of countries made offers of support for the constitutional drafting process, but they went beyond the drafting, to the entire constitutional process, and to support public outreach, for example, to help with support for the referendum that will be held to ratify the Constitution.

Of course, the United Nations was very deeply involved in the successful elections in January, and intends to be involved not only in the ratification process for the Constitution, but also in the elections at the end of the year, and many countries support the United Nations, and therefore are working indirectly.

I was amazed, in fact, by the number of countries, some of whom who had had no prior involvement or really engagement on this issue that came to Brussels, and came at senior levels, and made offers of assistance.

Malaysia was there. Malaysia was a big critic of the entire Iraqi Freedom Operation. But their foreign minister came and he talked about what Malaysia could contribute by way of its example in the constitutional process, because it is a multicultural, multiethnic society.

India made similar comments, and India had been distant from the efforts up until now. So there are countries that are coming to

realize that regardless of how they felt about the initial operation, they know that failure is literally not an option. That the world cannot have another failed state.

Afghanistan demonstrated that to all of us, that Iraq must be kept from becoming a failed state, and I think that is one of the reasons why I am personally optimistic that we will succeed in Iraq, because we are not going it alone. We are reaching out and we are being supported every day by literally dozens of countries.

I mean, whether or not they put troops on the ground, there are many ways that countries can help. They can help with training, and they can help with economic assistance. They can help politically by sending an Ambassador, and putting up their flag, and showing to the Iraqi people that the international community is supporting their government.

Even small countries can do that, and they are, and they came to Brussels, and they made pledges, and we are going to follow up with those pledges to make sure that they become reality. Thank you.

Mr. BOOZMAN. Thank you very much, sir.

Ms. ROS-LEHTINEN. Thank you so much, and I know that we are almost finished with the meeting, but I wanted to make sure that I recognized that Mr. Ackerman wanted some follow-up questions. Thank you, Gary.

Mr. ACKERMAN. Yes, thank you very much, Madam Chair. I appreciate that. I just wanted to tidy up some of the answers to get a little better understanding of where we are and where we are going.

First, on the oil. The oil production you say is about 1.2 million barrels a day.

Ambassador JONES. No, I said 2.1.

Mr. ACKERMAN. Oh, I am sorry.

Ambassador JONES. Production, yes.

Mr. ACKERMAN. So, production is 2.1.

Ambassador JONES. Yes, and exports are about 1.4. It varies from day to day.

Mr. ACKERMAN. And this is better than pre-invasion?

Ambassador JONES. I think production is about the same as it was pre-invasion, yes.

Mr. ACKERMAN. It is about the same, and you said that this is not enough to sustain the Iraqi economy?

Ambassador JONES. I said about a financing gap for the budget, for the government budget.

Mr. ACKERMAN. If that is the case, how did the Administration so miscalculate the money that is produced by the oil industry when it asserted to the American people that the oil production would pay for this war if we are back to where we were prior to the war, and it is not doing it, not even closing the gap?

They said that before your tenure, and I am sure that you would have had some input into that, but that is a huge miscalculation, and people are still puzzled by that, on what is happening to the oil money.

Ambassador JONES. We continue, as I mentioned in response to an earlier question, we continue to have attacks on infrastructure.

Because of the attacks on the infrastructure, oil production is lower.

Mr. ACKERMAN. That is "attacks," one word?

Ambassador JONES. Yes, "attacks." Not "a tax." Not two words. That is right, sir.

Mr. ACKERMAN. I just wanted to clarify that for the record.

Ambassador JONES. For example, the northern export line that goes out through Turkey has been disrupted for most of this year. That has reduced the production of oil that is possible from the northern field significantly. And as a result there has been a significant loss of revenue.

So in spite of the fact that oil prices are higher, oil revenues are only at about the level of what was projected in the budget. But of course the budget includes tens of thousands of security personnel, as I mentioned.

Mr. ACKERMAN. A different issue. The number of foreign fighters that are involved, what would your best guess be at that?

Ambassador JONES. I am not an expert on that, but I have no reason to quarrel with the figures that have been in the press recently.

Mr. ACKERMAN. Which are?

Ambassador JONES. I think 2 to 5 percent.

Mr. ACKERMAN. So, 2 to 5 percent?

Ambassador JONES. Was the numbers that I have seen. I have no contrary information.

Mr. ACKERMAN. And the common knowledge is that those are the people who are mostly religious zealots who take the cause anywhere anytime?

Ambassador JONES. I am sorry, but I didn't quite understand what you said?

Mr. ACKERMAN. The foreign fighters, they are not there as mercenaries for money? They are part of God's army, so to speak, in their mind? They are the religious zealots who would do this as an Islamic cause to get rid of the infidels?

Ambassador JONES. I haven't spoken to one of these individuals, but that is certainly the impression that I have.

Mr. ACKERMAN. A lot of the Committee Members used the phrase similar to the terrorists, or the insurgents, or whatever, and there seems to be a confusion, which is what are the people who are offering the resistance besides being the bad guys?

There is a tremendous difference between insurgents and terrorists. All of the terrorists that are involved in whatever are insurgents. But not all of the insurgents would be terrorists. Some people would consider it guerilla warfare rather than terrorism, although there is a lot of terrorism that is going on.

We stopped using terrorists as a reference, and I don't know how many weeks or months ago, and the Administration has been referring to them mostly as insurgents of late. Is that a policy decision? Because we anticipate what some on the Committee have raised as issues that we are going to have to solve this eventually with some political savvy, rather than just militarily, because you can't give those people everything that they want.

And to have a compromise, and in order to have a compromise, you have to sit down and negotiate, and you can't negotiate with

terrorists, because that is our policy. So have we now decided to call the whole deal an insurgency? I mean, in some countries, we would consider it a resistance, I suppose, or what have you. Yes, please?

Ambassador JONES. I think the people who are fighting us, and I will refrain from a label for the overall category. But I think the people who are fighting us and fighting Iraqis—because a lot of the attacks are on Iraqis, and in fact an increasing number are on Iraqis—can fall into several groups.

I think that first of all, there are Iraqis and there are foreigners. The foreigners, I would classify as terrorists, because of the tactics that they use, and because they do not have a political agenda for Iraq. They have a political agenda that relates to the United States, and to their overall idealogy of somehow——

Mr. ACKERMAN. A religious idealogy?

Ambassador JONES. A political-religious idealogy of restoring the kalafit or something like that in their imaginations, and I believe those are terrorists. There are Iraqis—and some of the Iraqis probably are terrorists, too, in the sense of the tactics that they are using, particularly against other innocent civilians.

Mr. ACKERMAN. But they have no other religious ideological agenda, the Iraqis?

Ambassador JONES. Some Iraqis may share the ideological agenda of the foreign terrorists. You have to realize that there are a lot of——

Mr. ACKERMAN. But the foreign terrorists basically are the people to whom the President refers when he speaks to the notion of taking the fight to them before they take it to us?

Ambassador JONES. The al-Qaeda types, yes. Zargawi is the principal name that is associated with foreign terrorists.

Mr. ACKERMAN. But that is not the basic insurgency. The basic insurgency would be sated if we were gone, and they could just have their internal civil war based on whatever. They are not the religious zealots.

Ambassador JONES. There are some people that are opposing us or fighting us because of perceived insults that have been received or inflicted during the last couple of years. Some of them are fighting us because they want to restore the former regime.

Some of them are fighting us because they want to——

Mr. ACKERMAN. These are former Ba'athists?

Ambassador JONES. Yes, former Ba'athists, members of military forces. Some of them are fighting us because they want to continue the domination of their social group. So it is a mixture of people.

Mr. ACKERMAN. But these are not people who are likely to attack the United States absent our presence in Iraq? These are not the al-Qaeda?

Ambassador JONES. If they restored their regime in Iraq, they may well continue the alliances that they have forged on the battlefield with some of the foreign terror groups. We can't assume that they would be benign toward the United States.

Mr. ACKERMAN. Have we reached out to any of the former Ba'athists to try to get them back in their uniforms?

Ambassador JONES. We have talked across the political spectrum, and we are doing our best working with the Iraqi Govern-

ment to make sure that it is clear that the political process is open to all Iraqis' social, economic, and political factions. I mean, that is what including the Sunni Arabs in the constitutional drafting process is all about. It is to give them a seat at the table so that they have a stake in the outcome so that they join the political process, to split off people from the potential supporters of the insurgency.

But there are some members of the insurgency that you cannot negotiate with. They are not interested, even if you were interested, because they are terrorists, and they have a separate agenda, and those people, you have to either kill, capture, or drive out of Iraq.

Mr. ACKERMAN. I don't disagree with that, and finally, Madam Chair, finally, a lot of discussion was about the border, and do we have to do all of that? Have we made any progress or effort in getting some of our allies in the war against terrorism to help us?

I mean, it would seem to me if this is now the center, as the President has indicated last night, this is the center of the war on terrorism right now, that our allies in the war on terrorism, who are our goods friends such as Pakistan and others, have we made any effort to try and get—not necessarily Pakistan. They have enough trouble controlling their own border. But have we reached out to these allies that are so close to us on the war against terrorism that the President continuously cites, to say that you have a stake being that this is the centerpiece of the war on terrorism, to guard that border, instead of us being there all the time, and we are trying to get so many Iraqis trained to whatever degree? Can we get 20,000 troops from the rest of the totality of the world, these 80 members of the coalition of the willing? Are they willing to send one person, or two people, or 20,000 people?

Ambassador JONES. Well, first of all, there are members of the coalition that do have border duty, depending on where their area of operations are. The British, for example, in the southern sector control hundreds of kilometers of the borders with Kuwait and Saudi Arabia.

Also, on the eastern edge, there are multinational forces that were responsible for border areas on the Iranian borders.

Mr. ACKERMAN. But these are small numbers, and we are not talking about the border with Syria necessarily?

Ambassador JONES. Yes. We have had lots of discussions with countries all over the world, and we continue to have them, in terms of their interests in providing support for the overall military operations. Of course, we do.

Ms. ROS-LEHTINEN. Thank you. Thank you, Mr. Ambassador.

Mr. ACKERMAN. I wish you good luck in getting some of the people that we have had discussions on here.

Ms. ROS-LEHTINEN. Thank you, Mr. Ackerman.

Ambassador JONES. Thank you. I appreciate that.

Ms. ROS-LEHTINEN. I would like to, as we wrap up, recognize John Gamino, who is probably embarrassed that I am doing this, but a veteran of the United States Army, a veteran of the Iraqi war, who in spite of all of these difficulties that we have discussed today and all of these obstacles, and how rough it is for us to help the Iraqi people get on the road to a stable democracy, he says that

if he had the opportunity, he would do it all over again. So, John, thank you, and thank you for your service and for so many other brave men and women, and I hope that our whole country follows the President's message from last night, and we fly our flags, and support our troops, not just for the Fourth of July, but for each and every day.

And without objection, I would like to put Congressman Dennis Cardoza's op-ed from the *Modesto Bee* as part of our record, as well as today's excellent *Wall Street Journal* editorial.

I don't know, Ambassador, if you had a chance to read it in support of the President's policies on Iraq and the reconstruction efforts.

And with that, without objection, the Subcommittee is adjourned. Thank you.

[Whereupon, at 4:35 p.m., the Subcommittee was adjourned.]

APPENDIX

MATERIAL SUBMITTED FOR THE HEARING RECORD

OP-ED BY THE HONORABLE DENNIS A. CARDOZA, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

IRAQ: U.S. NEEDS A REAL SUCCESS STRATEGY

This country is in desperate need of a real dialogue on the future of our involvement in Iraq.

As events in Iraq contribute to a deepening sense of frustration and anxiety across the country, some in Congress have begun calling for a fixed timetable for the withdrawal of U.S. forces. While I am distressed by the mounting casualties and lack of tangible progress on the ground in Iraq, I believe that retreat is neither a responsible nor practical course of action. The consequences would be catastrophic. If the United States were to cut and run from Iraq, we would send a message of weakness that would embolden our terrorist enemies across the globe. A failed Iraq would destabilize the entire region and undermine U.S. national security for decades to come.

We must, however, face the hard truth: our current strategy is not working. Our troops continue to pay the price for the failure to plan for the post-invasion phase of the Iraq conflict. Equally troubling is the growing gap between the Bush Administration's rhetoric and the reality on the ground. There have now been over 1720 Americans killed and more than 12,000 wounded in Iraq. The situation is worsening, and there is no apparent plan for victory.

In addition, American taxpayers continue to bear 90 percent of the financial burden of this effort—over $300 billion and counting—to the detriment of our domestic needs and fiscal health. The deepening quagmire in Iraq has stretched our forces to the breaking point as other serious threats emerge across the globe.

It is urgent, therefore, that we change course and implement a real success strategy for Iraq immediately. At every turn, I have fought along with my colleagues in Congress to ensure that our troops have the tools they need to succeed. The current mess, however, is not the result of any failure on the part of our brave men and women in uniform. It is the product of a willful blindness on the part of an arrogant administration that consistently fails to acknowledge the reality on the ground. The time has come to conduct a sober reassessment of our strategy.

Our goal must be to convince the people of Iraq that our objective is to help them build the strong, prosperous and independent country they desire. To achieve this, the new Iraqi government must have the resources necessary to finance a greater share of the effort to secure and rebuild their country.

Unfortunately, the U.S. has not succeeded in empowering Iraq to utilize its vast oil resources to help fund reconstruction and security efforts. A critical step to rectifying this problem is ending the rampant corruption and thievery that currently plagues the Iraqi oil industry. Vast sums of Iraq's awesome natural resources are being stolen by corrupt government officials and criminal elements. Coalition forces must take aggressive action to expose and stamp out this corruption, and to help the Iraqi government return oil revenues to their rightful owners—the people of Iraq. This is a matter of the highest priority, and it is unlikely that our broader efforts to defeat the insurgency and rebuild Iraq will succeed over the long-term if we are unable to accomplish it.

The Iraqi government should then reserve major oil fields to be designated as collateral for new loans. These loans, to be secured from an international monetary organization, would be repaid by the government of Iraq at a later date. The Iraqi government could use these newly acquired funds to finance a broader international

security force to assist the U.S. military and the U.S. treasury in shouldering the enormous burden in Iraq.

Financial incentives alone, however, may not be sufficient to coax the international community to the table. We must also fundamentally re-evaluate our strategy for defeating the insurgency and demonstrate real progress to that end. This means ensuring that coalition forces are given the tools and instruction they need to effectively combat insurgents. Many of our reserve and regular army forces in Iraq have not been adequately prepared for this task. British forces—who are well-schooled in the arena of counter-insurgent tactics—could play a central role in this intensified training.

Coupled with a robust new counter-insurgency effort, tapping the valuable natural resources of Iraq will serve as a strong incentive to encourage long-overdue international engagement. These international forces could then help Iraqis accomplish the following goals that our current policy has failed to achieve:

- Secure Iraq's Borders. *There will be no significant progress in Iraq unless the flow of foreign fighters into the country is stopped.*
- Effectively Police the Streets. *Iraqis need to feel secure in their homes and neighborhoods before they will stand up to insurgents.*
- Build a Standing Army. *Iraq must make greater progress towards developing a force capable of taking over security operations currently being conducted by U.S. forces.*
- Secure Economic Development Zones. *The Iraqi Government should focus economic development efforts in more stable regions of Iraq: the Shia southeast and Kurdish north. These projects could then serve as blueprints for expanding security and economic opportunity to other parts of the country.*
- Rebuild Infrastructure. *The redevelopment of Iraq's utility, transportation and educational systems will be vital for long-term stability and prosperity.*

By funding this renewed security effort, the government and people of Iraq will be taking responsibility for a significant share of their own defense and reconstruction. This will send a powerful message that they—not the United States—are accountable for the future of Iraq. But the United States must continue to stand with them, to provide the capabilities that Iraq does not yet possess.

While there is no simple answer to the staggering challenges facing us in Iraq, the first step must be a constructive public debate. I believe it is time for Democrats and Republicans to step forward with new ideas, and to demand that the Bush administration right the ship. The stakes could not be higher—and time is running out.

ARTICLE FROM THE WALL STREET JOURNAL SUBMITTED FOR THE RECORD BY THE HONORABLE ILEANA ROS-LEHTINEN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF FLORIDA, AND CHAIR, SUBCOMMITTEE ON THE MIDDLE EAST AND CENTRAL ASIA

THE WALL STREET JOURNAL.

The Iraq Panic

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Abstract (Document Summary)

This political momentum vindicates the decision to hold the January election, despite warnings that it was "going to be ugly" (in Joe Biden's phrase). Some of those who predicted the worst because the Sunnis refused to participate -- Mr. Biden, the Hoover Institution's Larry Diamond -- are the same people who now say again that disaster looms. Clearly the smart strategy was to move ahead with the vote and show the Sunnis they had to participate if they wanted a role in building the new Iraq. So why should we believe these pessimists now?

Regarding Mr. [Ted Kennedy]'s "quagmire" claim, General [George Casey] had this response: "I thought I was fairly clear in what I laid out in my testimony about what's going on in Iraq, that you have an insurgency with no vision, no base, limited popular support, an elected government, committed Iraqis to the democratic process, and you have Iraqi security forces that are fighting and dying for their country every day. Senator, that is not a quagmire."

It isn't as if the critics are offering any better strategy for victory. At last week's Senate hearing, Carl Levin's (D., Mich.) brainstorm was that the U.S. set a withdrawal schedule if Iraqis miss their deadline in writing a constitution. But U.S. officials have all stressed

to Iraqis how important that deadline is. Mr. Biden delivered a lecture last week that boiled down to letting France train 1,500 Iraqi "gendarmes" and pressing for 5,000 NATO troops to patrol the Syrian border. Both are fine with us, assuming Mr. Biden gets to negotiate with the French, but neither is going to turn the tide of war.

Full Text (1072 words)

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'It's like they're just making it up as they go along. The reality is that we're losing in Iraq."

-- Senator Chuck Hagel (R., Neb.), June 27, 2005, U.S. News & World Report.

"And we are now in a seemingly intractable quagmire. Our troops are dying and there really is no end in sight."

-- Senator Ted Kennedy (D., Mass.), June 23, 2005, Armed Services Committee hearing.

The polls show the American people are growing pessimistic about Iraq, and no wonder. They are being rallied against the cause by such statesmen as the two above. Six months after they repudiated the insurgency in a historic election, free Iraqis are continuing to make slow but steady political and military gains. Where the terrorists are gaining ground is in Washington, D.C.

This is despite tangible, albeit underreported, progress in Iraq. In the political arena, an Iraqi transition government has formed that includes representatives from all ethnic and religious groups. Leading Sunnis who boycotted January's election are now participating both in the parliament and in drafting a new constitution. The Shiite uprising of a year ago has been defeated. The government now has three deadlines to meet: drafting a constitution by August, a referendum on that constitution in October and elections for a permanent government in December.

This political momentum vindicates the decision to hold the January election, despite warnings that it was "going to be ugly" (in Joe Biden's phrase). Some of those who predicted the worst because the Sunnis refused to participate -- Mr. Biden, the Hoover Institution's Larry Diamond -- are the same people who now say again that disaster looms. Clearly the smart strategy was to move ahead with the vote and show the Sunnis they had to participate if they wanted a role in building the new Iraq. So why should we believe these pessimists now?

As for security, the daily violence is terrible and dispiriting, but it is not a sign of an expanding insurgency. As U.S. and Iraqi military targets have hardened their defenses, the terrorists have turned to larger bombs delivered by suicidal jihadists aimed at softer

targets. This drives up the casualty figures, especially against Iraqi civilians, but it does not win more political converts.

Insurgencies that have prevailed in history -- Algeria, China, Cuba -- have all had a large base of popular support. That more of the bombers seem to be coming from outside Iraq is cause for worry, since it means there will be a continuing supply of suicide bombers. But it also means that the insurgency is becoming an invasion force against Iraq itself, which means it lacks the native roots to sustain it.

The trend is in fact toward more civilian cooperation with Iraqi and U.S. security forces. Calls to the military hotline have climbed to 1,700 from 50 in January, according to U.S. commanders, and better intelligence has led to the recent capture of key insurgent leaders, including a top deputy to Musab al-Zarqawi. An Iraqi TV show profiling captured jihadists -- "Terrorism in the Hands of Justice" -- is a popular hit.

Everyone wishes that Iraqi security forces could be trained faster to replace U.S. troops, and to secure areas from which terrorists have been ousted. But here, too, there has been progress. About 100 Iraqi units are now able to conduct special operations on their own. General George Casey, the Iraq theater commander, says there has not been a single failure of an Iraqi military unit since the election. And new recruits continue to volunteer, even though this makes them terrorist targets.

Regarding Mr. Kennedy's "quagmire" claim, General Casey had this response: "I thought I was fairly clear in what I laid out in my testimony about what's going on in Iraq, that you have an insurgency with no vision, no base, limited popular support, an elected government, committed Iraqis to the democratic process, and you have Iraqi security forces that are fighting and dying for their country every day. Senator, that is not a quagmire."

So why the Washington panic? A large part of it is political. As Democrats see support for the war falling in the polls, the most cynical smell an opening for election gains in 2006. The Republican Hagels, who voted for the war only reluctantly, see another opening to assail the "neo-cons" and get Donald Rumsfeld fired. Still others are merely looking for political cover. Rather than fret (for the TV cameras) about "the "public going south" on the war, South Carolina Senator Lindsey Graham could do more for the cause by trying to educate Americans and rally their support.

It isn't as if the critics are offering any better strategy for victory. At last week's Senate hearing, Carl Levin's (D., Mich.) brainstorm was that the U.S. set a withdrawal schedule if Iraqis miss their deadline in writing a constitution. But U.S. officials have all stressed to Iraqis how important that deadline is. Mr. Biden delivered a lecture last week that boiled down to letting France train 1,500 Iraqi "gendarmes" and pressing for 5,000 NATO troops to patrol the Syrian border. Both are fine with us, assuming Mr. Biden gets to negotiate with the French, but neither is going to turn the tide of war.

The proposal to fix a date certain for U.S. withdrawal is especially destructive, inviting

the terrorists to wait us out and Iraqi ethnic groups to start arming themselves. The only important idea we've heard from Congress is John McCain's suggestion that if Damascus keeps abetting the insurgency, the U.S. is under no obligation to honor Syria's territorial integrity when pursuing terrorists seeking sanctuary in that country.

President Bush plans to speak about Iraq tomorrow, and we hope he points out that this Beltway panic is hurting the war effort. General John Abizaid of the U.S. Central Command stressed this point last week. Troop morale, he said, has never been better. But "when I look back here at what I see is happening in Washington, within the Beltway, I've never seen the lack of confidence greater."

He added that, "When my soldiers say to me and ask me the question whether or not they've got support from the American people or not, that worries me. And they're starting to do that." Mr. Bush will no doubt remind Americans of the stakes in Iraq, but he also needs to point out that defeatism can be a self-fulfilling prophecy.

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