

THE PERSIAN GULF CRISIS

JOINT HEARINGS

BEFORE THE

SUBCOMMITTEES ON ARMS CONTROL, INTERNATIONAL SECURITY AND SCIENCE, EUROPE AND THE MIDDLE EAST, AND ON INTERNATIONAL OPERATIONS

OF THE

COMMITTEE ON FOREIGN AFFAIRS

AND THE

JOINT ECONOMIC COMMITTEE

ONE HUNDRED FIRST CONGRESS

SECOND SESSION

AUGUST 8, SEPTEMBER 18, SEPTEMBER 25, OCTOBER 17, NOVEMBER 28,
AND DECEMBER 11, 1990

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U.S. GOVERNMENT PRINTING OFFICE

41-372

WASHINGTON : 1991

For sale by the Superintendent of Documents, Congressional Sales Office
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THE PERSIAN GULF CRISIS

Oil and the U.S. Economy

WEDNESDAY, AUGUST 8, 1990

HOUSE OF REPRESENTATIVES,
COMMITTEE ON FOREIGN AFFAIRS,
SUBCOMMITTEE ON EUROPE AND THE MIDDLE EAST, AND
JOINT ECONOMIC COMMITTEE,
Washington, DC.

The joint hearing convened at 9:33 a.m. in room 2172 of the Rayburn House Office Building, Hon. Lee H. Hamilton (chairman of the Subcommittee on Europe and the Middle East and chairman of the Joint Economic Committee) presiding.

Mr. HAMILTON. The meeting will come to order. The Joint Economic Committee and the Subcommittee on Europe and the Middle East of the Committee on Foreign Affairs are meeting jointly this morning to examine the impact of the Persian Gulf crisis on U.S. interests, on the worldwide oil industry, and on the U.S. economy.

Since Iraq invaded Kuwait a week ago, touching off the latest Middle East crisis, U.S. military forces have been moving toward the Gulf; efforts to isolate Iraq economically have escalated; and prices for crude oil and petroleum products have risen significantly in the United States and around the world. In two similar situations in the past—1973 and 1979—the rise in oil prices caused rapid inflation and led ultimately to the two most serious recessions in the post-War period. There is of course concern that this could happen again.

The purpose of this morning's hearing is to discuss the current crisis with five distinguished experts with very different backgrounds, but with considerable knowledge of this region and of the situation that we confront today.

The committees are interested in receiving today from our witnesses an assessment of the impact of this crisis and what they think United States policy should be addressing and directed towards.

We are very pleased to welcome five expert witnesses:

The Honorable Richard W. Murphy, Senior Fellow, Council on Foreign Relations, and former Assistant Secretary of State for Near Eastern and South Asian Affairs in the Department of State;

Mr. John Lichtblau, Chairman of the Petroleum Industry Research Foundation;

Mr. Thomas McNaugher, Senior Fellow, The Brookings Institution;

Mr. Joel Popkin, President, Joel Popkin & Company; and

Mr. Phillip K. Verleger, Jr., Visiting Fellow, Institute for International Economics.

In a moment, gentlemen, I will ask each of you to make an opening statement of a few minutes in length, and then we will turn to Members for questions.

We are very pleased to have joining us this morning Congressman Roy Dyson from Maryland who would like to make a statement. We welcome him to the Committee, and we turn now to him.

Mr. Dyson.

Mr. DYSON. Thank you very much, Mr. Chairman, and Members of the Subcommittee, for allowing me to be here today.

Many of us in Congress and the Nation are outraged about the consequences of Mr. Hussein's brutal invasion and occupation of Kuwait. He has just taken possession of perhaps two-thirds of the Middle East's proven oil reserves. If he chooses to invade Saudi Arabia and succeeds, he can control the largest single energy resource in the world. He can, in short, hold the industrial world hostage to whatever territorial demands he may wish to assert.

I believe Hussein is biting off more than he can chew. He knows that U.S. interests are directly threatened by his actions. He knows that our commitment to friends in the Middle East demand that we come to their aid if they are threatened.

The President is now responding. He is sending in troops, battle-ships, and planes to the region to prevent an invasion of Saudi Arabia and to persuade Hussein to withdraw from Kuwait. This is called "prepositioning." Frankly, I encourage President Bush to preposition our troops right into the middle of downtown Baghdad, if that is necessary. In fact, I can think of only one reason for not taking direct action against Iraq immediately, and that is that Hussein appears to be making hostages of all foreign civilians who happen to be in the path of his blitzkrieg.

There are 3,000 U.S. citizens working in the oil fields of what was once Kuwait, a few hundred more in Iraq itself. Their whereabouts and conditions are as yet unknown. We are left to wonder how we might best respond to the dangerous situation Hussein has created.

As a Member of the House Armed Services Committee, I will be paying close attention to our military strategies and options in the days ahead. I am concerned about foreign nationals held hostage by a man like Hussein. I am concerned that he is holding the oil importing world hostage to whatever demands he may wish to make.

I am equally outraged by the vision of American oil companies also holding the consumers of this country hostage to the changing winds of the Middle East situation. Some oil companies have jacked up gas prices by as much as 25 cents a gallon in the last few days. According to the American Automobile Association, price hikes are averaging 13 cents a gallon across the Nation. Unleaded gas prices yesterday averaged about \$1.21 a gallon. Today they are undoubtedly higher.

The effects of this sudden price jolt is already rippling through the economy. Plane fares are up. Trucking prices, and especially for frozen foods, are up. Utility charges are up. Even mortgage interests rates are up. According to the oil companies, these price

gouges are justified because of the coming shortage in petroleum stocks.

Mr. Chairman, I believe that is simply false. That claim is simply a cloak to be used to hide the outstretched arm of the oil companies while they pick the pocket of the American consumer. There aren't any shortages. There is no extraordinary competition in the wholesale gasoline market. There are no bidding wars by brokers or shippers, and with good reason. We have more than 500 million barrels of oil stored in the Strategic Petroleum Reserve.

That is enough, combined with the Japanese and German stockpiles, to tide us over while we handle this situation. There is no reason for some imagined shortage of the future to provoke a real price hike today. It seems that Saddam Hussein is not the only greedy profiteer willing to hold American consumers hostage.

The real catastrophe, Mr. Chairman, is that no matter what the outcome of the crisis with Iraq, the American consumers will have already have been mugged by the major oil companies, brokers, and gasoline profiteers. Even if we went right back to the way things were, this country's oil companies would have already made a killing off the American consumer. Here is a lesson we ought to learn, and learn well.

We need a better plan for dealing with potential and real crises in the Middle East. We also need a plan that can discourage price gouging of the American public by our own companies at every conceivable opportunity. It does not even have to be a war. Within days of last year's Exxon Valdez disaster, the price of crude oil shot up 16 percent. Exxon literally made a windfall off their own accident before that oil had even reached the beach.

A long-range energy plan is exactly what is needed to reduce our vulnerability to Middle Eastern violence, but it would appear that the natural enemies of an effective long-range energy plan are the companies themselves. They seem to thrive on disaster, no matter what the source. And it is always the same guy who is asked to put out the money in their pockets—my neighbors, my constituents, and it is you and me and the rest of the American people.

I am willing to accept the possibility of fighting Hussein for our energy security; fighting the major oil companies, however, is a new issue altogether.

Mr. Chairman, I thank you for the opportunity to be here today.

Mr. HAMILTON. Thank you very much, Mr. Dyson.

Mr. Scheuer.

Mr. SCHEUER. Thank you, Mr. Chairman.

Very briefly, Mr. Chairman, because I know we want to hear the witnesses promptly, fighting the oil companies is not a new idea; it is a very old idea. We have been almost at perpetual war between consumers and oil producers.

Mr. Chairman, we all are outraged at the price gouging that seems to be going on. It takes 40 days for the tankers to traverse the ocean between the Persian Gulf and these shores in America, but somehow or other the price increases seem to travel with the speed of light, 186,000 miles per second. It is an irony.

Mr. Chairman, I hope the Administration will conduct close scrutiny over the oil industry to see exactly what they are doing and how they are doing it. In time, scarcity of oil if it comes—and it is

not a fact of life now—may cause the need for legitimate price increases, but that certainly is not true now. The Justice Department and the Administration should certainly carry on continuing oversight and accountability to the oil companies so that the American public knows exactly what they are doing, and the American Congress can respond appropriately.

Perhaps in this dark cloud that is besetting us with the possibility of future oil scarcity and the reality of significant price increases, there is a silver lining. That is, Mr. Chairman, that this experience should concentrate our minds about getting on with the production of a major energy policy in this country.

We have been sort of muddling through this last decade without an energy policy, and we urgently need a centerpiece for an energy policy for our country which should be conservation, for goodness sake.

The 1973 Arab oil boycott concentrated our minds, and the American public responded to the need to conserve energy. We did a magnificent job. Although our GNP has increased about 40 percent since 1973, our consumption of oil, at least until the last year or two, has been substantially level. Although we have 50 million new cars and 20 million new homes, we conserved enough oil not to have to increase our consumption of oil. That is a remarkable performance.

I think the Administration ought to call upon the American people. It is not enough just to look at the oil producers and the gasoline purveyors. The American people have a role to play. They have got to pull in their belts a hitch and engage in a comprehensive pattern of energy conservation. That means turning out your light switch. That means more group riding. That means more use of mass transportation. It means in the summer letting the temperature of your home go from 72 or 73 degrees to 75 or 76 degrees, just a degree or two warmer homes; less use of air conditioning. This has spectacular implications for energy conservation.

In the winter, go from 70 to 68 in your room. The British have found out how to do that. When you buy a suit in London and bring it back to the States, you swelter. The reason is because the British have become accustomed to 67 to 68 degree temperatures, and the suits are much heavier than ours. So buy a sweater, and hopefully an American sweater, and let your temperature be a healthy 67 or 68 degrees.

Finally, Mr. Chairman, this should be an inducement to the Administration to call upon both the automobile industry and stationary energy users—and I am talking about manufacturing plants, utilities, all the rest—to spend some capital, to invest some capital, I should say, in energy efficiency. This can drastically reduce our need to depend upon foreign oil.

The Japanese did that to improve their environment so that energy producers, manufacturing plants and utilities and also automobiles, would be more environmentally friendly, and they found there was a tremendous dividend in energy efficiency such that today, after spending a good many billions of dollars in energy efficiency, the Japanese can produce a unit of production at half the energy cost that we produce it, and at a quarter of the energy cost that industrial Europe uses.

So this should be, if nothing else good comes out of this, this should trigger a serious approach by the Administration to a broad scale, comprehensive plan for energy conservation within the context of an energy policy. We do not have it now, and we desperately need it.

Thank you, Mr. Chairman.

Mr. HAMILTON. Thank you, Mr. Scheuer.

Mr. Lukens.

Mr. LUKENS. Thank you, Mr. Chairman.

First of all I would like to commend you for bringing this aggressively and in a timely fashion to the attention of the Congress and allowing us to become more conversant and more hopefully up to date with what is happening in the Mideast at a very rapid rate.

I have two comments to make. One is that, while I know this is an economic theme generally, I would like to just throw this out: Having watched the President and the Chairman of the Foreign Affairs Committee, Mr. Fascell, just respond, or add to the President's remarks, it is very obvious that it is not just an American crisis; it truly is a world crisis.

We apparently are going to have a little Middle East clown upset the whole balance of the peace structure—not the war, and the balance of power—but the emerging peace around the world has been disrupted by one person in an area that has been referred to as the tinderbox of the world.

I am concerned about how we can effectively in an economic, political, and diplomatic sense box him in and make this person resort to common sense and fairness—not to mention consideration of human rights, which he ignores in his own country—and withdraw in a peaceful fashion so we are not really igniting a war.

I am also concerned of course and would like to associate myself with the comments of the gentleman from Maryland, and of course Mr. Scheuer of New York. I agree with that. But I think we have to say what can be done, given the situation, and what can we most effectively do to support the President's moves.

Thank you.

Mr. HAMILTON. Thank you, Mr. Lukens.

I think we will begin now with our witnesses. Mr. Popkin, we will begin with you and just move across.

I might say to all of you that what strikes me about this hearing is that we have a variety of experts in front of us, and that is because the events of recent days have tremendous implications across many areas. We have an economist whose background is macroeconomics, and inflation particularly; an energy analyst; an energy economist; a former diplomat; and a security expert.

We are trying to get in this hearing an overall sense of not just one aspect of this problem but the interconnections of all of the aspects. What is the impact of these events on the United States? And what should we do about it? That is the central question this morning.

I would hope that each of the witnesses would focus on those questions as they present their testimony, and as we move into questions.

Mr. Popkin.

STATEMENT OF JOEL POPKIN, PRESIDENT, JOEL POPKIN & CO.

Mr. POPKIN. Thank you, Mr. Chairman, Members of the Committee.

I will attempt to address—

Mr. HAMILTON. Mr. Popkin, let's bring that microphone right up close, would you? Speak right into it.

Mr. POPKIN. I will attempt to address the impact of these developments on the overall U.S. economy, particularly on its growth, its inflation outlook, and the implication of these developments for the information of economic policy.

Let me start with inflation. The first thing I would like to point out is that we should recognize that an increase in the price of oil and gasoline is what we call a relative price increase. It is not an increase in the overall price level. Now the nice thing about a relative price increase is that typically it sets in motion the seeds of its own reversal. Typically what happens is supply increases in response to a price increase; demand slows. We have seen that happen time and time again.

Since the first OPEC oil shock in 1973, for example, we have seen a remarkable increase in the amount of oil that is pumped from non-OPEC parts of the world. As a result, while OPEC used to pump 35 percent of world oil in 1973, it is pumping less than a quarter of that oil today as a result of new discoveries elsewhere in the world.

The use is down. Consumers react to increases in relative prices of things like gasoline. Congressman Scheuer in his comments indicated that we have really done a tremendous job of improving the productivity with which we use energy. Our crude oil consumption is not much different from the 17 million barrels a day that we consumed in 1973, and our GNP is 40 to 50 percent higher. That is the working of the economic system, and I would submit that those will prevail in this situation, as well.

It is true that we do have fluctuations up and down in the price of oil, and they are rather marked and troublesome at times. But if you look the 1974 price of oil, \$9 a barrel, and increased it by the amount of overall inflation in the U.S. economy since then, you would find that that barrel of oil should sell at about \$20. Actually we have had a lot of fluctuations about that line, but we are still seeing oil on the long run horizon at a price not much different from the overall rate of inflation.

Thus, my expectation is that the recent price increase will fall of its own weight from economic forces alone, and some of the most recent reports from oil markets suggest that that may have started already. And in fact, it may fall sooner than merely would occur as a result of the working of economic forces because of the political opportunities that now seem manifest for bringing about a quicker resolution of the problems in the Persian Gulf.

I think the one down side from the point of view of inflation from what has happened is that the spurt in prices, in oil prices, is poorly timed. The Federal Reserve has not yet won its battle to make inflation decelerate. Despite the fact that the U.S. economy has grown at a rate of less than 2 percent for 5 consecutive quarters, and it looks like the quarter we are in right now is going to

make the sixth consecutive quarter of less than 2 percent growth, I think at this point the Federal Reserve would like to abandon at least for awhile its objective of moving the inflation rate from 5 percent to 4 percent, but it must fear that financial markets will not follow.

In fact, the yield curve, the curve that shows how short-term interest rates compare with long-term interest rates, has steepened markedly over the last week or so. So I do not think that this circumstance creates a longer run problem for inflation. I think the real issue is that the timing is just bad.

Let me turn now to growth, the impact of what we have seen happen on economic growth. As I mentioned before, we have endured five calendar quarters of growth at less than 2 percent annual rate. Actually, there are many analysts who today think the economy is on the verge of a recession, if in fact a downturn has not already occurred.

Now in that context, every one dollar increase in the barrel price of crude oil drains \$6.2 billion out of the U.S. economy. Now since half of our oil is imported, \$3.1 billion leaves our shores right away. It goes to other countries. The other half goes to domestic oil companies, who do not spend it as fast as the consumers from whom it has been taken would have spent it. So that creates more of a fiscal drag on the economy.

I would say that if prices stay up for two or three months, a recession can become a reality. I think that is the major concern, much more so than the impact of inflation. Because a downturn, once begun, can feed on itself for awhile through expectations and be much harder to reverse. Therefore, it seems to me that the Federal Reserve ought to anticipate developments if it wants to be certain of preventing a recession. That has to do with the Fed's evaluation of the relative priorities it attaches to the goals of economic growth and price level stability.

I think the Administration can help by continuing to use the vast political tools offered to it worldwide to eliminate quickly this potential oil supply bottleneck. But it has to be remembered that it is not an easy task to relax monetary policy when inflation is rising, albeit for temporary reasons.

Let me turn finally to the longer run policy concerns. My concern, from an inflation point of view, is not with these recent oil price developments. It focuses more on what economists call the core rate of inflation. That is the rate of inflation if you subtract food and energy.

At this time, that rate of inflation is persisting at about 5 percent. It was doing that even before the Iraqi invasion of Kuwait. The FRB plan to push it back to 4 percent by a soft landing—and we have had growth in that range of 2 percent or less—has been tried for over a year and it has failed. Inflation has not decelerated, and yet we are on the brink of a recession.

The FRB needs to ease monetary policy to avoid a recession, but financial markets are likely to act perversely unless fiscal policy is tightened simultaneously. The present problem in the Persian Gulf need not deter the Administration and the Congress from trading fiscal restraint for monetary ease. It need not even deter the use of the gasoline tax, in my view, as one element of a deficit reduction

package, provided it is recognized that an oil price increase, whether due to wars or taxes, is regressive and therefore more restrictive than many other approaches to raising taxes.

Finally, I think that perhaps the most significant potential long-run adverse consequence of these recent developments would be if the Iraqi invasion thwarts the U.S. in its pursuit of sound domestic macro-economic policies. If that happens, Iraq will have succeeded at least in part in inflicting economic pain on the U.S., even if it is ultimately forced to relinquish Kuwait.

Thank you, Mr. Chairman.

Mr. HAMILTON. Thank you very much, Mr. Popkin.

Mr. Verleger.

**STATEMENT OF PHILLIP K. VERLEGER, JR., VISITING FELLOW,
INSTITUTE FOR INTERNATIONAL ECONOMICS**

Mr. VERLEGER. Thank you, Mr. Chairman.

Let me start with some background about the events in the oil market in the first half of this year and then focus quickly on the implications of the actions in Kuwait and Iraq and the most recent events as they affect oil prices.

As you are well aware, oil prices slumped dramatically during the first half of the year. The price of West Texas intermediate, which I suppose is the benchmark for U.S. crude oil, dropped from \$23.67 on January 20 to \$15.60 on June 20. This decline was due entirely to a buildup in inventories around the world, a buildup that was caused primarily by overproduction by Kuwait and the United Arab Emirates in violation of their OPEC quotas. That violation ultimately caused Kuwait to pay a very heavy price.

During this time, 12-month forward prices did not change at all. They remained at \$20 a barrel. So if there was an underlying core price of crude oil, it was \$20 a barrel. The situation was reversed between June 20 and the end of July, first in response to some belligerent statements by Saddam Hussein, which caused the Gulf countries to agree to abide by their quotas, then by a meeting in Jidda between the King of Saudi Arabia, the Saudi oil minister, and other significant players.

Ultimately, OPEC agreed at the end of July to try to raise the price of oil of their basket to \$21 a barrel, and all the producing countries agreed to hold their total daily production to 22.5 million barrels.

The market responded as if they were going to do this. While many analysts expressed doubt that in fact OPEC would be able to get the \$21-a-barrel price, forward prices—which as I said had been very stable at \$20 a barrel—jumped to about \$22 a barrel. All the indicators suggested that the market had in fact accepted that. Spot prices rose to \$20. In technical terms, the market was still in contango. That is a term that has been around for years to describe commodity markets when spot prices are less than forward prices.

My calculations suggest that, had the agreement held through the end of the year, had this war not occurred, the 22.5 million barrels a day of production from OPEC would have forced countries throughout the world to run down inventories that they had built up, and caused the spot price to rise to backwardation. We would

essentially be back in the same situation that we were in at the beginning of the year, except that now we would have a \$25 WTI price, a \$22 longer-run price, and roughly a \$21 OPEC price.

That would have been difficult from a volatility point of view, but it would not have been terrible. Our embargo on Kuwait and Iraq exacerbates this situation. Between 4 and 5 million barrels a day of oil was removed from the market. I produced a statement the night before last—unfortunately the page numbers fell off when we reproduced it for this committee, word processors being what they are. Table 1 in that statement provides my estimate of the world supply-demand balance.

If you will turn to it, the first three lines present the demand situation before the embargo. You can see that we were looking at a demand of 51 million barrels a day in the second quarter of this year, according to the IEA, and 52.5 million barrels a day in the third quarter, rising to 55 million in the fourth quarter. Now that is due to seasonal demands. Then we have 55 million again in the first quarter of 1991, dropping back off to 52 million barrels a day in the second quarter.

In the second set of lines I show a rough estimate of the supply situation due to the embargo. In the second quarter of this year, total supply from OPEC and non-OPEC sources was 54 million barrels a day. During the third quarter, it will drop to 51 million and will remain about 50 million barrels a day during the fourth quarter and the first and second quarters of next year, assuming Kuwait and Iraq are embargoed through this period of time—the emphasis is on the “assuming.”

The line labeled “implied stock” draws the difference. It is just an arithmetic difference. We have got to draw down inventories to balance the projected demand and supply.

The next line shows normal stock changes. Usually you can expect to have a decline in stocks of half a million barrels a day in the fourth quarter. That is just an average for the last five years. You can expect to have a 2.5 million barrel per day decline in stocks during the first quarter of a typical year. The difference between the normal stock change and the implied stock drawdown gives an implied shortage of 3 million barrels per day as a whole: 4 million barrels per day in the fourth quarter, assuming that the 5 million barrels per day from Iran and Iraq remains out; 2 million or 3 million in the first quarter, and 4 million in the second.

I should note that the supply numbers there assume that we get about 1.1 million barrels a day in offsets from Venezuela and a few other countries that will increase production. I made no other assumptions as to additional supply. I assumed that Saudi Arabia and the UAE would not increase production when I did this table. I will come back to that in a minute.

Under this circumstance, absent any use of strategic stocks or any other measures in the consuming countries, most of the models would predict that prices would rise to about \$45 a barrel on average. I emphasize again that most of the models would predict that as an average price. It is really outside the sample history. It is outside our experience. Experience from other commodity markets shows that you could get a much larger price increase for a short period of time. It is just a very risky situation.

That is why every oil executive, every supply official in an oil company does a calculation like this. Their numbers may differ, but they are looking at a shortage-like situation, and that is why spot prices on the market rose so quickly. It is just the natural process when you are looking at a situation like this.

When the prices on the spot market rise, the costs for the oil companies rise immediately. It is complicated. We will get into it in your questions, I am sure. It is a problem of understanding as much as—probably much more than—it is one of what has been referred to as price gouging.

Under the situation, what should the U.S. Government have done? I would argue we should have announced immediately a sale from the Strategic Petroleum Reserve. Instead we even imposed an embargo on ourselves. And although officials in the White House and officials from DOE are reported in the press as saying, "Well, there's no shortage," in fact, if you do this sort of calculation there sure is a shortage.

To say that we should let the market work is to ignore the fact that the consuming countries have effectively removed 5 million barrels a day from the market, taking what everyone agrees are very appropriate political steps. I would also have suggested that we probably should have followed the lessons that we learned in 1980 when we embargoed Russian grain shipments. We should have closed the futures markets for a day or two until there was news and information on the release of Strategic Reserve had sunk in.

Would I actually have delivered any of that oil from the Strategic Petroleum Reserve? Maybe not. There is no reason to actually start pumping it. But the sale could have been announced. It takes three weeks to conduct an auction for the Strategic Petroleum Reserve, because of the very complicated nature of the release process that DOE has designed. This is a tragedy that some of us have been trying to fix for years, unsuccessfully.

If it had turned out that the bids for that oil were low, the government could have rejected them and announced another auction. It could have just continued the process and let it be known that this oil is available, and that would have acted as a cap. To instead say that nothing is going to be done and that we are going to wait and review the situation has just fanned the fires and driven prices up.

I think the problem of prices, however, may be behind us now thanks to the action of the President last night in sending troops to Saudi Arabia. There is apparently news in the late edition of the New York Times that Saudi Arabia intends to increase production by 2 million barrels a day. This was not in the early Washington editions, but somebody read this to me over the phone from New York.

If that is the case, the increased production from Saudi Arabia, plus presumably increased production from the United Arab Emirates, which has traditionally not held to the OPEC quota, will close most of the gap, leaving us with maybe a difference of a million barrels a day between demand and supply. That certainly would tend to bring prices down from their present level. Perhaps we will not get down to a forward price of \$21; perhaps it will be \$23 or \$24

a barrel. But that announcement, if in fact it is true, and if it in fact is implemented, will tend to stabilize the market and bring things back to where they were.

My conclusion—and I am not a military specialist or a security specialist—is that on the security side the United States has responded very responsibly, very quickly, and has been amazingly adept at dealing with this crisis.

On the energy side, I think we have shown our policies to be a disaster. Announcing that we are embargoing oil and not responding and not recognizing how quickly markets work is a tragic mistake, and it is a mistake that is costing consumers billions of dollars.

Had the release of the SPR been announced, crude prices would not have shot up. Gasoline prices then would not have shot up, and we would be dealing with a much more orderly situation, and I know you would be happier on vacation, or at least if we were having hearings we would not be picking on the oil companies to a certain extent in an unjustified way.

Thank you.

[The prepared statement of Mr. Verleger follows:]

Impact of the Embargo on Exports of Oil from
Iraq and Kuwait

Prepared Statement of
Philip K. Verleger, Jr.
Visiting Fellow
Institute of International Economics

before

The Joint Economic Committee

August 8, 1990

World petroleum markets are experiencing the worst interruption of supply since the end of World War II. Between four and five million barrels a day (mmbd), roughly eight percent of free world consumption, have been removed from the market by the imposition of a successful embargo on exports of oil from Kuwait and Iraq. Other oil exporting countries will probably replace less than one third of this oil. Buyers have responded as one would expect. Prices of crude oil have been bid up from \$15.30/bbl on June 20 to \$28/bbl. Prices will undoubtedly go higher, possibly reaching \$40/bbl to \$50/bbl in the absence of action by consuming nations.

This new price shock will almost certainly trigger a recession in both the United States and possibly throughout the industrialized world. Real GNP will decline by one to two percent in the current quarter and 3 to 4 percent in the fourth. Unemployment could rise to 7.5 percent by the middle of 1991.

The increase in prices results from an imbalance between supply and demand. Free world consumption over the next five months will average 54 million barrels a day while the available supply will amount to only 50 million barrels a day assuming (1) that the embargo on Iraq is totally effective (2) that all other OPEC nations abide by their production quotas and (3) that strategic stocks are not drawn down. Under normal circumstances such an imbalance would push prices up to between \$40/bbl and \$50/bbl. However, a larger rise could occur because oil buyers will naturally attempt to build stocks in the current circumstances. This additional demand currently amounts to between 50 and 100 million barrels.

The rise in prices began in early July when Arab oil exporting countries agreed to cease their cheating and abide by a production quota of 22.5 million barrels a day. Prices firmed further after OPEC reinforced this decision at its Geneva meeting. By the end of July one could infer from the "term structure of oil prices" that the OPEC basket would rise to \$21/bbl by the end of December. One could also infer from the "term structure of prices" that the price of the U.S. bench-mark crude, West Texas Intermediate - WTI, would rise to \$26.00 by December.

Such an increase would have represented a relatively "modest" ten percent rise for the year because the price of WTI was as high as \$23.67/bbl as late at January 20. However, the price rise seems larger because over-production by certain members of OPEC during the spring caused prices to plunge from \$23.67/bbl to \$15.30/bbl. During this period oil stocks increased by 320 million barrels.

This decline in spot prices and build up of stocks are related. Using what is referred to as a "supply of storage schedule" one finds that a high level of stocks is associated with contango in a commodity market (a condition where futures prices exceed cash prices). On the other hand low levels of stocks are associated with backwardation (a condition where futures prices are less than cash prices). Often, economists will interpret a decline in spot prices as signifying a fundamental change in the balance between supply and demand when, in actuality, it only results from a build-up in inventories.

Precisely such a phenomenon occurred in the oil markets this year. In January crude oil prices were in backwardation because refiners had been forced to draw stocks to meet the high demands caused by the cold weather. For example, February 1990 oil cost \$23.67/bbl on January 19, 1990 while February 1991 crude could be purchased for \$18.98 on the same day.

Backwardation was replaced by contango by spring as OPEC over-production pushed up stocks. By June 20 July 1990 crude cost only \$ 15.30 while July 1991 crude sold for \$ 19.43/bbl. The change in price patterns is shown on Figure 1.

Figure 1 shows what might be referred to as the term structure of crude prices on January 19 and June 20. Each curve on Figure 1 shows a pattern of prices for a single day. Reading from left to right one notes the price quoted for the first or expiring contract, the second contract, etc.

The shift of the term structure of oil prices between January and June emphasizes the point that expectations of longer term prices did not change even as spot prices plummeted from \$ 23.67/bbl to \$ 15.30. Instead, the market appeared to recognize it as a transitory phenomenon that resulted from over-production by OPEC.

The OPEC meeting altered the market's assessment. Prices rose before and after the meeting despite widespread skepticism that the organization could enforce its agreement. An examination of the term structure of prices shows that the market remained in contango - implying that the excessive stocks remained - but the entire price structure lifted. Between June 20 and July 30 twelve month forward crude prices increased by \$ 2.00/bbl from \$19.43/bbl to \$21.77. In other words, the entire price structure shifted upward in response to the result of the meeting. (See Figure 2.)

The market response to OPEC was consistent with a view that

OPEC intended to reduce the volume of oil supplied to the market in order to successfully boost prices by \$ 2.00/bbl. One can interpret this adjustment as an indication that traders really expected the price of the "OPEC basket" to rise from \$18/bbl to \$20/bbl.

As part of the agreement the members of OPEC agreed to stick to a quota of 22.5 million barrels per day through the end of the year. Achievement of this target would have required refiners and end users to use up the 320 million barrels of stocks built early in the year and possibly dig further into stocks. As a result one would have expected the market to revert to backwardation by the end of the year. According to my calculations, prompt WTI would have sold for a \$4/bbl premium over twelve month forward crude by year end. This would have put spot WTI at \$ 26/bbl by year end assuming that there were no change in other prices. (See Figure 3.)

The subsequent events associated with the invasion of Kuwait by Iraq alter this analysis in three ways. First, the forward price of oil has increased. Yesterday the forward price was roughly \$25/bbl although the chaotic conditions in the market made any projection a guess. Second, uncertainty concerning future supplies has lead to an increase in what economists call "precautionary demands for stocks" (the average man on the street refers to these demands as hoarding). These demands have forced the market into backwardation. I estimate that the events in the Gulf have increased demand for stocks by roughly 100 million barrels. Third, the lower projected level of supply during the fourth quarter will contribute to a further increase in backwardation in the coming months. Prompt oil could sell for a \$10/bbl or even a \$20/bbl premium to twelve month forward oil if the situation is allowed to degenerate into total chaos.

The situation may well degenerate into total chaos in the absence of prompt action by consuming nations. The embargo on exports from Iraq and Kuwait will remove between 4 and 5 mmbd of supply from the world market. This loss in supply will be offset in part by increased production from Venezuela, Nigeria and possibly the United Kingdom (if a scheduled maintenance program in that country is delayed). These three nations may be able to put an additional 1 million barrels a day of oil into the market. The loss in supply could be further cut by increased production by Saudi Arabia and the United Arab Emirates. Together, the two nations could possibly increase production by 2.5 million barrels a day to the market. Thus, these five nations could almost totally replace the lost supply permitting the market to return to equilibrium. However, it is very unlikely that either Saudi Arabia or the UAE will increase output in the current circumstances. Thus, the world is left facing a shortfall that will average 3 to 4 million barrels a day as long as present prices and economic conditions prevail.

The magnitude of the shortfall may be observed from Table 1.

Projections for consumption, supply and stock changes through mid 1991 are shown. The top three lines show estimates of consumption while the second three show sources of supply. The seventh line shows the change in inventories required to balance the market. The projections of consumption and non-OPEC supply are taken from the International Energy Agency's Monthly Oil Market Report while the projections of OPEC supply are predicated on the assumptions described above.

Table 1
Supply and Demand for OIL
Free World
Assuming General Iraq and Kuwait Shutdown
(million barrels a day)

<u>Demand</u>	<u>90:2</u>	<u>90:3</u>	<u>90:4</u>	<u>91:1</u>	<u>92:2</u>
OECD	36.3	37.2	39.5	39.6	36.9
Non-OECD	<u>14.8</u>	<u>15.3</u>	<u>15.7</u>	<u>15.9</u>	<u>15.4</u>
Total	51.1	52.5	55.2	55.5	52.3
<u>Supply</u>					
Non OPEC	28.7	28.6	28.8	28.7	28.9
OPEC	<u>25.5</u>	<u>22.8</u>	<u>21.5</u>	<u>21.5</u>	<u>21.5</u>
Total	54.2	51.2	50.3	50.2	50.4
Implied Stock Draw	3.1	(1.3)	(4.9)	(5.3)	(1.9)
Normal Stock Change		1.5	(0.5)	(2.5)	1.0
Implied "Shortage"		2.8	4.4	2.8	3.9

Source: IEA, calculations by the author.

The eighth and ninth lines of Table 1 present my estimate of the present shortage. The eighth line displays the average adjustment in stocks observed in a given quarter over the last five years. The implied shortage or difference is shown in the last line. The average shortage for the next eleven months (assuming an eleven month shutoff of Iraq and Kuwait oil) is 3.8 million barrels a day.

The market will not, however, experience a shortage. Instead, prices will increase. In the absence of intervention by consuming nations the price rise could be very large.

Simulations with the Disruption Simulator Model (DIS model) developed by the Department of Energy suggest that increases on the order of 140 percent in the current quarter, 125 percent in the fourth quarter and 100 percent in the first quarter of 1991 are to be expected. Conservatively, these changes would imply that the average spot price of oil will average \$40/bbl in the third quarter, \$38 in the fourth quarter and \$34/bbl in the first quarter of 1991. Prices of West Texas Intermediate would probably be

\$5/bbl greater. In other words, the current embargo on exports from Kuwait and Iraq could boost the average price of WTI to \$45/bbl in the current quarter.

The projections developed with the DIS model provide a very clear indication of the troubles that may face the United States and other consuming countries in the coming months. It would appear that further, large increases from the present level of \$28/bbl are likely even if one discounts the results of the model. The economic consequences of such increases are obviously terrible.

The situation could be even worse because the DOE model projects prices by quarter, not by week or month and does not take account of the time distribution of prices. Evidence from other commodity markets would suggest that prices could rise well above the levels indicated above for short periods.

In these circumstances it would appear that the United States should proceed immediately with a sale of oil from the Strategic Petroleum Reserve. In fact, the announcement of such a sale is already one week late. Further, the United States should call on the other members of the International Energy Agency to immediately initiate the programs contemplated as part of the Agency's response to a seven percent shortage.

Implementation of these measures would serve to moderate the increase in prices and possibly prevent the spot price from rising past \$35/bbl. Greatest impact can be achieved by offering to produce the SPR at maximum rates during September and October. Such an offer would tend to moderate the increased demand for stocks and reduce backwardation.

The United States should also call on the two other nations that have large stockpiles - Germany and Japan - to initiate similar sales. The combined release of the stockpiles from these three nations will quickly stop the escalation in prices.

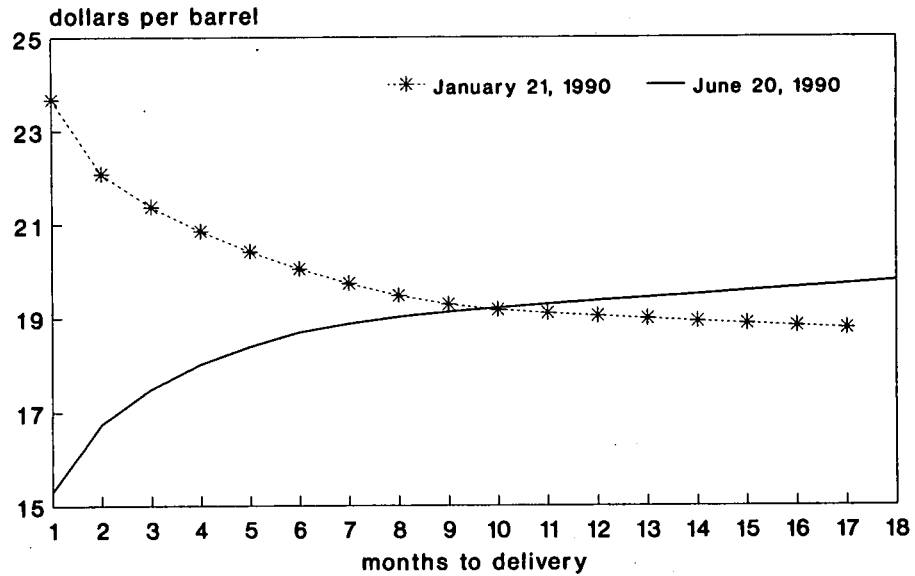
The United States should also take one other step immediately. The Commodity Futures Trading Commission should suspend trading on the New York Mercantile Exchange until the sale of oil from the reserve can be implemented. This step is necessary to avoid the financial havoc that could be associated with the panic-driven increase in prices that has occurred over the last five days. These increases are contributing to the rise in gasoline prices that has raised the public's anger.

It should be noted that there is a good precedent for taking such an action. Grain futures markets were closed for several days after the United States announced an embargo on the exports of grain in 1980. At that time the CFTC closed the grains markets at the time the embargo was announced. Unfortunately, more than a week has been allowed to pass between the announcement of an oil embargo and the closure of futures markets.

Futures markets should be opened again when the response is has been fully prepared. In 1980 futures markets were allowed to reopen after the U.S. Department of Agriculture had announced that it would purchase the grain that originally would have been sold to the Soviets. In the current situation futures markets should be allowed to open again after DOE and other consuming nations have released information relating to the timing and amounts of oil to be sold from strategic stocks.

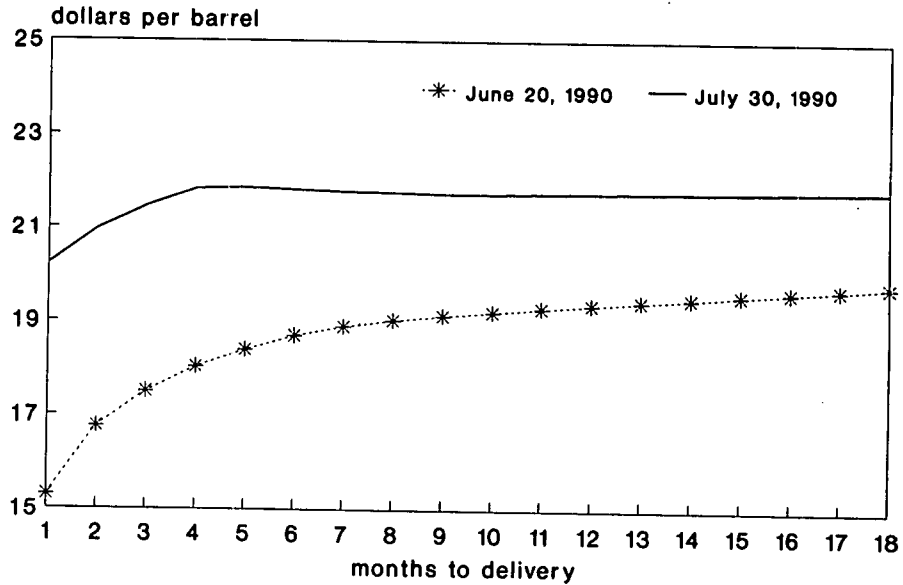
Let me conclude by reiterating the main points of this testimony. First, the decline in prices experienced during the first months of 1990 was due to a build up of stocks, not any fundamental change in the supply demand situation. Second, the longer run price of oil probably increased by 10 percent following the OPEC meeting. Third, the embargo on Iraq and Kuwait has created a shortage of approximately 4 million barrels a day. Fourth, the shortage could push prices to \$45/bbl or more according to DOE models. Even higher prices can be expected if backwardation gets worse. Fifth, DOE should immediately announce a release of oil from the Strategic Reserve. Lastly, the trading on the NYMEX should be suspended until the effects of the sale can be assessed by the market.

Figure 1
Term Structure of Crude Oil Prices
January 1990 vs June 1990



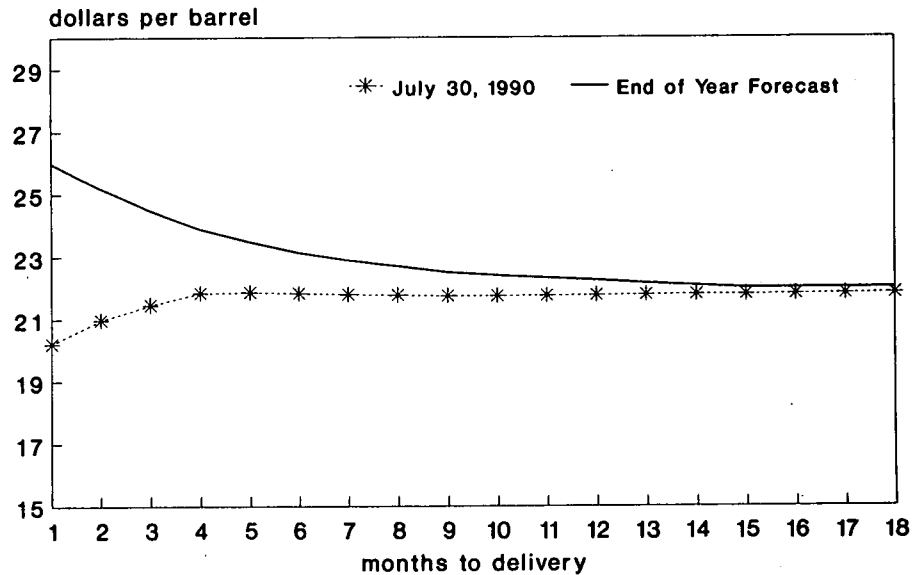
Source: New York Mercantile Exchange

Figure 2
Term Structure of Crude Oil Prices
June 1990 vs July 1990



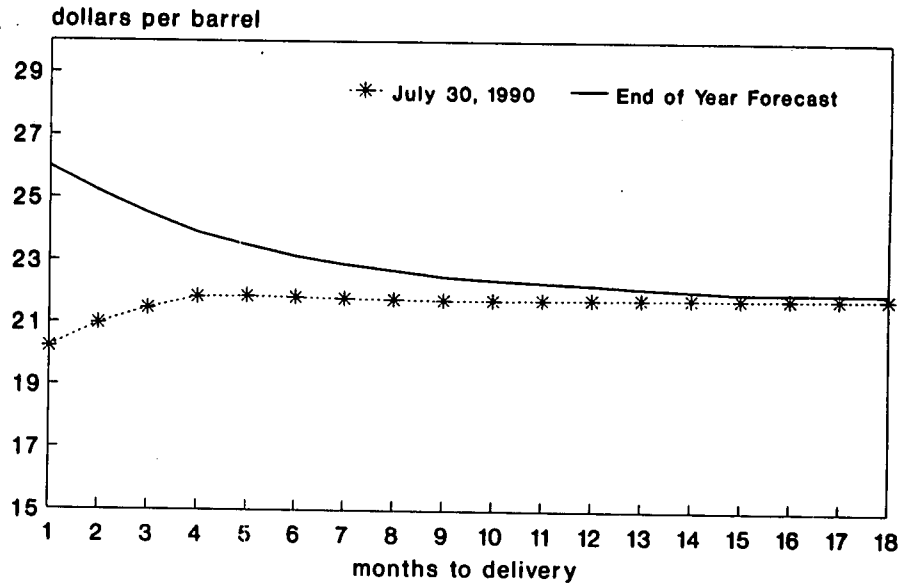
Source: New York Mercantile Exchange

Figure 3
Term Structure of Crude Oil Prices
No Embargo: July 1990 vs December 1990



Source: New York Mercantile Exchange

Figure 3
Term Structure of Crude Oil Prices
No Embargo: July 1990 vs December 1990



Source: New York Mercantile Exchange

Mr. HAMILTON. Thank you, very much.
Mr. Lichtblau.

**STATEMENT OF JOHN LICHTBLAU, CHAIRMAN, PETROLEUM
INDUSTRY RESEARCH FOUNDATION**

Mr. LICHTBLAU. Thank you very much.

My statistics generally agree with Mr. Verleger's. We have lost about 4 million barrels per day of production as a result of all production in Kuwait being shut in, and the embargo—the apparently very effective embargo—on Iraqi exports through both the pipelines that are either closed or nonfunctioning—the one through Turkey and the one through Saudi Arabia. So, about 4 million barrels per day of oil have been removed from the market. That is equivalent to about 13 percent of the world exports.

I think it is more important to relate this to exports than world consumption, because prices are made at the margin and the imported barrel is the marginal barrel in many countries, including the United States. So a very substantial volume of world exports have suddenly become unavailable, and obviously this has an impact on price.

How much of this can be made up was the big question, and politically we assumed until this morning that Saudi Arabia would not, or at least not immediately, participate in increasing production. Total OPEC excess productive capacity after the loss of Kuwait and Iraq would be on the order of nearly 4 million barrels per day; not quite. So in other words, if every OPEC country that had excess productive capacity was able to use it and would have done so, we would have come close to closing the gap of 4 million barrels, but not quite. We would still have had a few hundred thousand barrels' decline. But we assumed that the biggest excess producing capacity, Saudi Arabia with 2 million barrels per day, would not immediately participate for obvious political reasons. They were afraid of their neighbor, and they had reason to be.

Now things have changed. We understand that Saudi Arabia will participate, and that makes a tremendous difference. Because from a perhaps 3 million barrels per day gap that existed, we may be down to a 1 million barrels per day gap, if this is correct, and that could make—will make quite a difference in the supply/demand balance, and in the price structure, we think.

We will probably also get a fairly substantial amount from Venezuela, the only country outside the Persian Gulf which has substantially spare-producing capacity, about half a million barrels a day. Now if Saudi Arabia does participate, you end up, as I say, with a relatively low shortage of 1 million barrels per day which could be met by somewhat higher prices and various other factors. If Saudi Arabia does not participate, you have a major problem on your hands. Because you cannot assume that supply and demand will be put in balance by market prices.

Oil is a commodity that has a very low price elasticity. To offset this kind of a loss, to reduce world oil consumption by 8 percent would require a tremendous price increase because of the very low elasticity. So we have had an intervention in the market by Saddam Hussein and, in order to counter it, it may require some

kind of intervention in the market by the U.S. Government—and I am referring to the Strategic Petroleum Reserve. But as I say, if Saudi Arabia is fully cooperating now, the question of whether we need to use the Strategic Petroleum Reserve immediately is not as obvious as it was yesterday.

Unfortunately, the Government also said yesterday and the day before that there is no need to call on the Petroleum Reserve at this stage. I think we have built it up for precisely the reason of an unexpected foreign disruption, and we do have an unexpected foreign disruption, and I think we have no other major weapon—600 million barrels we could draw down our reserve. If we entirely lost the Iraqi-Kuwait oil supplies to the U.S. for a year, we would lose over 750,000 barrels a day in imports from these two countries, but our Strategic Petroleum Reserve could be drawn down by that much and more for a much longer period of time.

Furthermore, the European countries and Japan also have a Strategic Petroleum Reserve. Collectively, theirs is about equal to ours. So there is enough there to totally offset even a bigger gap than we may have now as a result of the Saudi cooperation. However, I would say that the more successful we are in blockading Iraq and Kuwait, the more of a hardship it might be for us. Yet I think the issue is not only the consumer interest, which is a very important one. I think there is an overriding national security aspect. I think it is impossible to permit Saddam Hussein to control 65 or 70 percent of the world's oil reserves which is obviously what he is trying to do. It is not only the U.S.; it is a global issue.

I think if there is a very effective embargo, over time a country which lives entirely on oil exports and has nothing else but that, if its oil exports are close to zero and if its foreign assets are all frozen, eventually its economy will either collapse or it will find some other way to deal with this. But I think there is no way that Iraq in the longer run would prevail if we have an effective embargo on all of its oil and on all of Kuwait's oil, which has already been shut in.

Now I would like to just make one more point. The statement was made in talking about U.S. oil and gasoline price increases that it takes 40 days for a tanker to come to the United States, and since the problem occurred in the Persian Gulf why do we see prices at the pump rise before these 40 days are up? I think the 40 days are irrelevant. There is only one oil price in the world. When the price rose in the Middle East, it rose simultaneously the same day, the same hour, in Texas, Louisiana, Mexico, Canada. So all oil companies instantly paid the higher price for all of their crude oil the day the prices went up. There are no two different oil prices, and there couldn't be, for any commodity.

So oil companies have been paying the high prices. Every oil company pays now \$26, \$27, and has been doing this for the last several days. Even the oil that is coming in from the Persian Gulf, much of it is priced at delivery market prices, not at loading time market prices. So most of that oil that is steaming to the U.S. and is unloaded here has to be paid for at current price, the price that developed after the invasion.

So companies are paying and have been paying since the first day the higher price for every barrel that goes into their refineries.

I think that has to be considered, rather than the fact that it takes 40 days for a tanker to come from the Middle East to the United States.

That concludes my statement. Thank you, very much.
[The prepared statement of Mr. Lichtblau follows:]

Petroleum Industry Research Foundation, Inc.

**IRAQ'S INVASION OF KUWAIT:
A FIRST VIEW**

Comments of

**John H. Lichtblau
Chairman**

before the

**Joint Economic Committee
of the United States Congress**

August 8, 1990

- **World oil exports have been reduced by 13% by the Iraqi invasion.**

World oil exports have been reduced by approximately 4 million B/D of crude oil and products as a result of the Iraqi invasion of Kuwait. This consists of Kuwait's total production of 1.5 million B/D, all of which has been shut in since the first day of the invasion, and probably most of Iraqi exports which amounted to 2.7-2.8 million B/D in the first four months of 1990. Along with the decline in oil exports the world has also lost about 700 MB/D of export refining capacity from Kuwait and 150 MB/D from Iraq.

- **Readily available and sustainable spare crude producing capacity by OPEC members other than Iraq and Kuwait is currently slightly less than the 4 million B/D loss in supplies, and not all of it is likely to be used. Without Saudi participation, incremental production may amount to only 1 million B/D.**

The gap could not be fully closed even if all available excess producing capacity were fully utilized and existing circumstances may make it unlikely that all excess capacity will actually be used. Before Monday's U.S. troop movements, there were questions whether Saudi Arabia, the country with the largest spare producing capacity, would be able to make its nearly 2 million B/D of current spare capacity available to its customers, given the apparent strong opposition to such a step by its aggressive, threatening neighbor. The U.S. presence may strengthen the Saudi resolve. It is also doubtful that the UAE, which is also under threat from Iraq, will increase its output to improve the supply situation and thereby weaken Iraq's position. Similarly, Libya, which has not voted to censure Iraq's invasion at the recent Arab League meeting, may not wish to take any action that would reduce the pain for Iraq's and Kuwait's customers.

Venezuela, on the other hand, the U.S.'s oldest oil trading partner, is likely to make available its excess capacity, which may amount to 500 thousand B/D. Additional volumes may also be available from Nigeria and some other countries. Thus, without Saudi Arabia, incremental production may amount to 1 million B/D, although it would not be of comparable quality to the lost volumes.

- **The low price elasticity of petroleum demand means that after the loss of Kuwait and Iraqi volumes on world markets, supply cannot be balanced with demand except through very substantial price increases. Even with the modest offset from incremental production, prices are likely to rise further if the situation does not improve.**

Assuming that the boycott of Iraq (and Kuwait) continues into the fourth quarter and remains as successful as it appears to be now, the supply/demand imbalance will worsen. The fourth quarter traditionally has higher demand than the warm weather seasons, so the expected call on crude supplies was already above OPEC's recently announced quota level. These supplies could have come from production or inventory withdrawals.

- **Oil inventories, high as they are, provide only limited relief to the production loss.**

According to the International Energy Agency, OECD stocks on July 1 were 2.5 billion barrels, at 70 days of forward consumption, are at their highest level since the mid-1980's. However, the current draw on these stocks is likely to reflect the full volume of lost production. In addition, we have to consider the operating minimums, set by the logistics of the distribution system. In the United States, for instance, nearly 80% of current crude oil stocks are required minimum operating volumes.

- **Hence, the market may not be able to correct for the military market intervention of Saddam Hussein without wrenching dislocations. Some modest counteracting market intervention may therefore be necessary from the consuming country governments. In particular, a drawdown of strategic stocks should be considered.**

Government-owned and compulsory stocks in the industrial nations equal 1.1 billion barrels, with about half of it in the United States. These stocks could be drawn down to offset part or all of the net loss in production. While the U.S. Strategic Petroleum Reserve could be withdrawn at a rate of 3.5 million B/D, our modest direct loss of supplies would dictate a much lower rate. Iraq and Kuwait were supplying 750 thousand B/D of oil to the U.S. Even a drawdown of this size would help calm the market. Since our refineries are operating at their effective maximum utilization rate, an SPR drawdown larger than the loss will back out crude imports, and hence could provide an additional calming effect for world markets. Europe was importing 1.2 million B/D from Iraq and Kuwait, and Japan, 500 thousand B/D. The net loss, of course, will be less, because of production increases as discussed above. These countries, too, should be encouraged to draw their strategic stocks, thus adding to world supplies, and minimizing the economic damage of the boycott.

■The rapidly changing events in the area make it very difficult to predict market developments. This much can be said, however: the more successful the industrial countries are in curtailing Iraqi-controlled exports, the more it will hurt these countries. Over time, it will therefore become increasingly important to reduce the pain through a combination of oil higher production from other OPEC countries and the use of government stocks built up for precisely this disruption scenario.

The importance of this course of action goes beyond providing for consumer needs. If we can maintain the boycott, Saddam Hussein's Iraq, whose war-damaged economy is based entirely on oil production and exports, is bound to falter sooner or later.

Mr. HAMILTON. Thank you, very much.

We turn now to some of the political and strategic aspects of it.
Mr. Murphy.

**STATEMENT OF HON. RICHARD W. MURPHY, SENIOR FELLOW,
COUNCIL ON FOREIGN RELATIONS, AND FORMER ASSISTANT
SECRETARY OF STATE FOR NEAR EASTERN AND SOUTH ASIAN
AFFAIRS**

Mr. MURPHY. Mr. Chairman, it is very good to be back in Washington where you all naturally wait to hear if The Washington Post is going to confirm what the New York Times has said. [Laughter.]

I wish I could say the same applied in reverse in New York. They do not look at it that way.

From the global to the specific, even before the Security Council vote on Monday, the independent decision-making around the world that this invasion was a highly negative development that had to be opposed was dramatically displayed from the European community, of course beginning with ourselves but including the community of Moscow, Tokyo, Beijing.

The speculation that certain of those nations would have to wait politically until they had the cover of a United Nations Resolution was disproved. They recognized the danger of the situation; they took their stands.

Perhaps for those of us who went through the Gulf exercise of 1986, '87, and '88, the single most striking thing has been the quick emergence of a U.S.-Soviet cooperation to a sea change. We then regarded the prospects of cooperation as a side door through which the Soviet Union would insinuate itself in order to claim a political role and influence in the Persian Gulf which had been seen as an area of exclusive and vital American interest.

We must keep our sights very clearly trained on the world community and the need for international cooperation, both the reality as well as the appearance of that cooperation, be it in terms of possible military cooperation, financial pressures, oil embargoes. It is off to an excellent start, but embargoes have, as we all know, followed a course of eroding rather quickly historically.

One question out there is how much of this had been calculated and preplanned by the leadership in Baghdad. It is too early to conclude just how much advantage they thought they could take of world opinion of the regional situation. I suggest that the first sign of a stumble occurred in Turkey two days ago when the number two man from the Iraqi leadership went to Ankara to obviously try to persuade Turkey not to close the line. The answer he got was clearly insufficient.

He went home. Iraq started to scale back the movement of oil through the line, and then Turkey yesterday announced its closure. So at least that evidence is in hand that not all was foreseen and cleverly plotted out by Baghdad.

The other outsiders to the region face a situation which is very new. There has been a sea change there also in terms Arab relations, not just what U.S. and Soviets might do to cooperate. There has been a great deal of crockery broken in these last days: the my-

thology of Arab unity; the formulas that Arabs will all hang together.

We must work very carefully in that supercharged political atmosphere. In a sense they are in a state of shock because nothing like this has ever happened. They have maneuvered against each other. They have cursed each other. They have sabotaged and subverted each other, but they have never invaded and occupied.

In Iraq's case, it invaded and occupied a state whose legitimacy they recognized back in 1963 after initially opposing its right to exist. As a state for 27 years, Iraq itself has recognized the independence and sovereignty of Kuwait.

So we have to keep in very sensitive contact now around the Arab circuit, in very close consultations not just with the Saudis but with all of the other actors and potential players in that region.

As far as the Saudis are concerned, their preference over the years has been to handle security problems on their own where possible, and to appeal to outsiders—be they in the GCC, further afield in the region, or the United States progressively if the threat appeared more than they could handle by their own resources.

Now I sensed in the last few days before the decision was taken in Jidda by the Saudi leadership, obviously following the consultations with Secretary Cheney, that they had overcome the customary sense of awkwardness about public cooperation with the United States. I assume that was on the basis of the intelligence data that Cheney brought with him, the picture of an Iraq not satisfied militarily even with Kuwait. It was a picture, apparently, that was not a very pretty one; that it was going to be Iraq sitting on the Kuwaiti territory and then intimidating politically the Saudis, and that there was a potential military move out there against Saudi Arabia.

In Iraq the dialogue has always been a thin one between Washington and Baghdad. The leadership is ruthless. The leadership is ambitious. It considers that Iraq has always been undervalued and lacking in the respect both within the Arab world that it deserves and in the broader world, but it is a calculating leadership and it is not an insane one. It is stubborn. It has a very stubborn president in Saddam Hussein, but a man who has been known to be a risk-taker and one who weighed up the odds. It appears that he has miscalculated the odds of success in this case.

They may well push further militarily. They may well push further economically. Politically there is a story that the Iraqi President will be on the radio in a few hours announcing the annexation of Kuwait. We will see. That is again a further major blow against Arab history and inter-Arab relationships and will be highly provocative within the Arab world and beyond.

Our mission has been described, once again by the President this morning: to block that expansion; to secure withdrawal; to restore the legitimate authority to Kuwait; to protect Saudi Arabia against an act of military aggression; and I think that is a viable mission.

We have committed forces once again before other nations. We did that in 1987 in terms of our escort of the Kuwaiti shipping. Once again I think our move is the necessary spur to action by other nations, and I look forward with confidence that there will be

other states participating with us in one form or another. But the force, as well as the diplomacy, should be internationalized to the maximum extent possible, and as quickly as possible.

What else we should do is not for me to speak, as the other gentlemen have, about the use of the Strategic Petroleum Reserve but I do feel the need for more public diplomacy from our Administration which could have a calming effect that the Reserve is there, that the International Energy Agency is there that we worked so hard to establish in the '70s; that there are mechanisms in place and that we need not be so concerned about seeing an automatic repeat of the '70s situation.

With our military committed, the President I am sure will insist on very careful monitoring of the political-military atmosphere in the region because our military's presence in an Arab country will become a lightning rod for dissidents in the Arab world. It will become an excellent political target to embarrass the host government, if not itself a military target.

I think that the force and capabilities of our military will be well respected, but our presence can be manipulated to the detriment of our very hosts and at some point we will have to gauge what to do about that force.

Those are my comments, Mr. Chairman.

Mr. HAMILTON. Thank you. Mr. Murphy.

Mr. McNaugher.

**STATEMENT OF THOMAS L. McNAUGHER, SENIOR FELLOW,
BROOKINGS INSTITUTION, WASHINGTON, DC**

Mr. McNAUGHER. Thank you, Mr. Chairman. It is an honor to be here. I would say it is a pleasure, but I confess that coming last on a panel of this erudition is not easy.

I bring to this panel a modest amount of military strategic expertise, and I suppose I should talk about force deployments, what the war will look like, the capabilities and limitations of the various forces involved. I will happily do that in the question and answer period.

Yet, as a military strategist who has written about this part of the world, I must call attention to the basic point that the deployment and exercise of force is never more important than the international or political context in which it is exercised. And that brings me simply to reinforce a point that Ambassador Murphy made.

It has been a week of dramatic events, and yet I would say that the most important and the most dramatic is not the deployment of U.S. forces to Saudi Arabia, but rather the speed and authority with which the United Nations has moved to formulate Resolution 660. For those of us who were involved in or wrote about U.N. Resolution 598, calling for a cease fire in the Gulf War and who witnessed the six months of arduous negotiations needed to approve a much less definitive document than Resolution 660, truly the world has changed. And it give the United States the chance to embed its activities—be they military or diplomatic—in a world consensus.

If there is a lesson here for the President, it is: Do not get outside that consensus. The consensus will be necessary first to sus-

tain American public opinion which right now is very supportive, but which cannot be expected to remain so. At some point, Americans will ask, where are the Japanese? Where are the Germans? Where are the British, the French; where are the Egyptians? Those are questions that they have a right to ask, and the President should have an answer.

I am sure that the international context of events here cannot have been lost on Riyadh. I have no idea what the decision-making in Riyadh looked like over the last few days, but surely this is not a time when they would be comfortable advertising their bilateral security ties to the United States. I am sure they are gratified to see the Turks move in concert with the United Nations, as they did yesterday, and to see the U.S. operating in an international framework.

I think these points grow in importance if nothing happens. I do not want to trivialize the possibility of a war with Iraq here, and yet in some sense I am less worried about fighting that war—which I think we can win, although it is not going to be easy—than I am that we end up sitting eyeball-to-eyeball with Saddam Hussein as he seeks to recast the situation, to redefine the problem in terms of “haves and have-nots” as he has already started doing, and as the regional embarrassment with the U.S. presence perhaps begins to be felt.

President Bush and Mr. Baker have worked extremely well and quickly to forge an international consensus. There will be enormous pressure in the media, from the Congress, from the American public to personalize this war. This is Bush vs. Saddam. If the President is in fact thinking of bringing down Saddam, as was quoted in *The Washington Post*, he will himself contribute to that and it would be very big mistake. The objectives of this operation should remain those posited by the international community. The world, not just President Bush, opposes Saddam.

That brings me to my second point which has to do with objectives. At this point, if I heard the President correctly in the speech he delivered an hour ago, our objectives are the withdrawal of Iraqi forces and the return of the Al-Sabah family to Kuwait. In other words, the status quo ante.

Resolution 660 is slightly less definitive. It is the withdrawal of Iraqi forces, and it will not allow a puppet regime to be in Kuwait—there being no mention in that Resolution of the Al-Sabah family.

Frankly, it is easy to say these things now. I think Saddam is boxed in a bit. I think he made a fundamental miscalculation. He underestimated the speed with which the international community would move to condemn him. Over the weekend, had he begun to pull out as he said he was going to, I think he could have done what we probably should have done in Vietnam. He could have declared victory and gone home, maintaining control for all intents and purposes in Kuwait, while defusing the international response. That is no longer an option—or at least not a comfortable one, I should think. So he cannot back down.

If we stays in, or annexes, as it is reported he will do, he faces an embargo which thus far has been very effective and enormous economic problems associated with that.

If he attacks Saudi Arabia, he faces a war that he cannot win. To use the phrase Congressman Lukens used just a moment ago, he is boxed in to some extent. Perhaps we can take grim comfort from that. In the end, though, we cannot box this fellow in unless we are willing to premise our policy on the fall of Saddam Hussein, which I think would be to make the same mistake that the Ayatollah Khomeini made back in 1982.

We are going to have to find some way to let him out of this box that is satisfactory to us and to him. I suspect that a finesse for this box will arise probably as a result of diplomacy originating within the region, and will reflect the felt needs of Arab friends like Egypt's President Mubarak. To this extent, we should be willing to negotiate our objectives as time passes to find some acceptable accommodation. If the Iraqis want to get rid of Saddam Hussein, that is up to them. I am not sure how they would do it, but it should not be the premise of American policy and we should be looking for some way to find a satisfactory accommodation.

The last point, Mr. Chairman, has to do with the country that has not been mentioned here—that is, Iran. The permissive cause, if you will, for Iraq's being able to do what it has done over the last two years is the effective absence of an Iranian counter-threat to his eastern flank. Let's face it. Under other circumstances, the Iranians pose just about all the threat that Iraq can handle, a threat that keeps them occupied, and in a sense the Iranian threat to Iraq has helped to guarantee Kuwait's freedom in years past.

In this sense, we are still reacting to the fundamental perturbations set through this region in 1979 when the Shah fell and the Iranian Revolution occurred. We are still dealing with the aftermath of that. You could say that our policy over the last 10 years has been for the United States and the international community to insert itself in this very important region of the world to help sustain the balance while that ripple from the Iranian Revolution goes through it.

We are still doing that. At this point, the problem is the opposite of the one we had two years ago. It is Iranian weakness not Iranian strength. I am not asking us to open relations with Teheran tomorrow. They would not accept them if we offered. Indeed, I am not saying anything about U.S./Iranian relations.

However, it is interesting that Operation STAUNCH, the operation made famous by Col. North just a few years back, is still—or was at least last week—in effect in American policy. Surely it is time to reconsider American policy toward Iran. There will be a geostrategic adjustment here. Lots of countries will start to knock on Iran's door. It is not clear that the Iranian government collectively can get its act together enough to take advantage of this geostrategic shift, but we certainly should not stand in the way of it.

What we want in the end is to be able to stand back from this region, get our forces out of it, and let the Iran/Iraq balance in a sense implicitly preserve the stability of the region. Thank you.

Mr. HAMILTON. Well, thank you very much, gentlemen. We will begin with questions. We will have to jump quite a bit from one topic to the other.

I want to begin with the political and strategic side of it. I guess if you look at Saddam Hussein's alternatives in a very broad way with respect to Kuwait, he has three alternatives. He can withdraw. He can stay. Or he can attack Saudi Arabia.

My reading of it at the moment—and I want you, Mr. Murphy and Mr. McNaugher to comment—would be that his choice would be to stay. That is always a guess of course on our part.

If that is his choice, then the policy question for the United States becomes: How do you get him out?

I would like you to address that observation and that policy question.

Mr. MURPHY. Well, he could withdraw and yet maintain effective political control through this so-called provisional government that is his puppet.

Mr. HAMILTON. Yes, I really would not call that a "withdrawal," but you have got variations on each of these options.

Mr. MURPHY. How to get him out politically is not going to be, in my opinion, an achievement of the outside world. We are the ones that can mobilize the economic pressures, the arms embargo, the United Nations activities, and a Naval blockade if it comes to that, but we do not have the wit to devise the political formula that will prove to be acceptable to Saddam to get out.

This is a man who never makes a mistake. He is not going to admit that he has made a mistake. So, this is why I think what I call the "Arab role" is going to be critical in this.

Mr. HAMILTON. Do you agree with me that he is not likely to attack Saudi Arabia?

Mr. MURPHY. I did not predict his invasion of Kuwait, Mr. Chairman. [Laughter.]

I hate to remind you of that, but [laughter] there is an unpredictable side to this leader. There is no question of it.

Mr. HAMILTON. We all recognize that, but we are trying to get some sense here of what you think is most likely.

Mr. McNaugher, how do you see it?

Mr. McNAUGHER. Let me continue the line that Ambassador Murphy began. First of all, I am in his camp as far as not predicting this. Just a week ago, had I been here I would have said, do not worry, Saddam is rattling his sabers, but do not get too excited.

We have set a goal that we cannot implement directly. That is always a dangerous situation. The comfort should come from the fact that the U.N. really has set this goal, too. So the international community, the world, has set itself up against Saddam and I think we should never allow that fact to be lost.

I think what Ambassador Murphy was saying, and what I was trying to refer to when I talked about finding a way out of the box, there are people at this moment I suspect scrambling around the region looking for a way to finesse what would appear to be the proverbial irresistible force/immovable object, the stand-off.

I think one of the things I have learned from studying military history is that objectives, once set, are rarely chiseled in stone. One changes one's objectives in response to the flow of events. Certainly we should have a view of what a satisfactory outcome is here, but if a finesse, a way out for Saddam, emerges from the region, we

should not cast it out simply because it does not meet every line, dot, and period of our stated objectives.

Mr. HAMILTON. Have we given him a way out with the President's objectives this morning?

Mr. NAUGHER. I do not think so.

Mr. HAMILTON. Why not?

Mr. McNAUGHER. Well, as I said, pulling out would have given him everything, including tacit control over Kuwait and certainly the ability to intimidate the Saudis. At this point, pulling out would be tantamount to admitting defeat, and as Ambassador Murphy says, this is not a man who ever makes mistakes.

There may yet be a way of getting him out of there. I am a little disturbed that the Egyptians and the Moroccans have not come in with their own forces to give us a true multi-national and Arab force in Saudi Arabia, but it may yet be that the finesse really will involve an Arab League force that is inserted in Kuwait as Iraqi troops depart. That is what happened in 1961.

Mr. HAMILTON. Does the U.S. military deployment make the exercise of diplomacy to get Saddam Hussein out of Kuwait more difficult, or less difficult?

Mr. McNAUGHER. I do not think it changes that. I think what the U.S. military deployment so far does is give the Saudis the backbone to raise their oil production, which after all is a confrontational policy toward Iraq, and if Iraq attacks—and I certainly would not rule that out—then it is the beginnings of a force to deal with that invasion.

That does raise one issue. I do find every once in awhile somebody saying we ought to attack Iraqi forces in Kuwait. Maybe there will come a time when that seems to be an appropriate thing to do. It is a very difficult military operation, partly because he is holding about a million and a half people hostage, not just Americans.

Mr. HAMILTON. Do you think you could get Saddam Hussein out of Iraq with economic sanctions and blockades?

Mr. McNAUGHER. I think that is what we should be trying to do. I do not know whether it will deliver, but that—

Mr. HAMILTON. Do you think that can be achieved, Ambassador Murphy?

Mr. MURPHY. No, not totally. That is why I emphasized that, plus the Arab initiative to devise this formula to get him out. That is beyond our imagination to do.

Mr. HAMILTON. The President this morning, as I understood him, Mr. McNaugher, did not call for the restoration of the Sabah family in Kuwait. Now I may be mistaken about that, but my understanding of our policy is that one of the objectives or principles, as the President said this morning, is the restoration of a legitimate government in Kuwait.

Mr. McNAUGHER. No. I think I heard Al-Sabah. Correct me if I am wrong, but I wrote it down in my notes. I was quite surprised.

Mr. HAMILTON. Did you? Does anybody want to correct me on that?

Mr. McNAUGHER. I may be hearing things at this point.

Mr. HAMILTON. Previously, prior to this morning when the President stated it, he never connected the Sabah family with the restoration of Kuwait's legitimate government. If he did this morning, I

did not hear it, and it would be the first time I think he has done it.

Do you have an impression on that, Ambassador?

Mr. MURPHY. I did not hear the full statement, Mr. Chairman, but I thought the intent of the President's words over this past week has been to equate legitimacy with Al-Sababs.

Mr. HAMILTON. I see. Okay.

Mr. MURPHY. Certainly, of course there is no question that he sees the Iraqi action as destruction of legitimacy whether there is a family name attached to the government or not.

Mr. HAMILTON. Now let us jump around a minute to some economic aspects.

Dr. Popkin, if I understand your testimony, it is that this recent price increase is not going to have all that much impact on inflation?

Mr. POPKIN. That is correct.

Mr. HAMILTON. That is correct? What you worry about is that it might push us into a recession.

Mr. POPKIN. That is right.

Mr. HAMILTON. That is the real worry, right?

Mr. POPKIN. Yes.

Mr. HAMILTON. And if that then is the worry, what happens with regard to American fiscal policy? What should we do right now with respect to fiscal policy?

Mr. POPKIN. Well I would think that this should not deter us, sidetrack us from any longer-run plans to change the tradeoff between fiscal restraint and monetary ease.

Mr. HAMILTON. How about the \$50 billion cut for the next year's budget?

Mr. POPKIN. Well, I have seen proposals discussed in which that might be stretched out more; that maybe this is not the proper time to make that hit. Although my impression all along has been that anything that might come out in terms of budget deficit reduction is really not something that would happen tomorrow. It would be phased in over time. So I think that could be handled.

Mr. HAMILTON. Well, very much discussed although obviously not agreed upon has been a proposal for a \$50 billion cut in next year's budget, and a \$500 billion cut over a five-year period. Do you think those targets should still be the targets? Or should that \$50 billion target change as a result of these events in Iraq?

Mr. POPKIN. I think that perhaps the \$50 billion target for the next fiscal year might be a little too steep, but on the other hand it could be put in place if the Federal Reserve were to accommodate it with the proper monetary policy.

Mr. HAMILTON. Okay.

Mr. POPKIN. And I think, as a matter of fact, I think the \$50 billion target would in fact be quite reassuring to financial markets and facilitate any Federal Reserve easing action.

Mr. HAMILTON. Mr. Verleger, was there or was there not a ripoff on prices of gasoline?

Mr. VERLEGER. I think, sir, it is difficult to answer that question in the middle of a battle, but the market is behaving precisely as I had expected. I should say that I have been trying to finish a book

on the next energy crisis—the book has obviously been overtaken by events.

There has been a structural change in the oil industry over the last 10 years. It has really become much more of a commodity business, adopting all the institutions that one has in the commodity market—futures markets, hedging, and the like.

Many companies found that they could not afford the financial risk of volatile oil prices. I described the decline in crude prices during the first half of the year. What they do is hedge. That is, they sell futures against their inventories. This means that intermediate-sized terminal operators, bulk companies, and some large companies essentially have short futures positions on the New York Mercantile Exchange or some other exchanges.

Mr. HAMILTON. Let me get to this in the way my constituents would get at it, I think. The gasoline is in the storage tank. Right?

Mr. VERLEGER. Right.

Mr. HAMILTON. At 8 o'clock in the morning they paid a certain amount of money for that gasoline. Right?

Mr. VERLEGER. Right, but they sold—

Mr. HAMILTON. The station operator comes out and flips the price up 5 or 10 cents, immediately. Now why is that not a ripoff?

Mr. VERLEGER. What I heard yesterday when I testified was that the station operators were raising their prices as they were told that their prices were going up on their next load. They get two, three, four, five tankloads a week.

Mr. HAMILTON. Is there a kind of an anticipatory price increase here?

Mr. VERLEGER. No, sir. I am not certain about the gasoline retail operators, but we have seen this in the past. Generally, if you look at their financial statements, they have not gotten rich on the Exxon Valdez incident. They lost a lot of money in December and January, if you look at the EIA report, when heating oil prices went up and then came back down.

The companies may have the oil in their tanks, but it is like the farmer who has grain in his elevator. He may have already sold it on the futures market. So if the price of corn goes up, he does not make anything because he has sold his crop ahead of time. That is how many in the oil industry are operating today. Essentially they are in the same position as the farmer who has sold his corn or his soybeans to the Chicago Board of Trade to essentially achieve financial insurance.

But this financial insurance only works if, when the price goes up on the futures market, you raise your prices in a parallel fashion at the pump. Otherwise, you wind up taking very substantial financial losses.

Mr. HAMILTON. You seem to be making the argument, if I understand you correctly, that there was not a ripoff; that this was a normal practice—

Mr. VERLEGER. I said it was for some companies—

Mr. HAMILTON [continuing]. And Mr. Lichblau, I want you to comment on that, as well.

Mr. VERLEGER. Now we generally believe that in a competitive market there is one price. Economists talk about the law of one price. Everybody's prices move together, so that you expect to see a

single price, or roughly a single price. Some companies may have made money because they took the risk of holding inventories. But if we start seeing different prices—say, one gasoline station at \$1 a gallon and another at \$1.20 a gallon—I will tell you, we will have lines.

In 1973 we got into the entitlements program on oil because Marathon out in Ohio had gasoline prices that were 25 cents a gallon lower than Sohio. So the Marathon stations were open in the morning and Sohio stations were open in the afternoon. And when demand fell, the Sohio station operators faced very big financial losses because they could not sell their gasoline. That is why we adopted the entitlements programs. You have to have a single price. You expect to have a single price.

But I think it is this hedging phenomenon and this commodity phenomenon that is causing these prices.

Mr. HAMILTON. Mr. Lichtblau, how do you answer that question? Was it a ripoff?

Mr. LICHTBLAU. Well, I do not know what the definition of a "ripoff" is. Prices went up—

Mr. HAMILTON. A "ripoff" is an exorbitant profit.

Mr. LICHTBLAU. Well, there was an inventory profit made, probably, but that is part of a normal business operation. When you know that your replacement is going to be much higher priced and the new price is already in the market, you are going to sell the oil, or whatever commodity you have on your shelves at the new price. That is normal business practice, normal economics. There can only be one price. So that when you know the price is up, there is no reason for you to sell what you have in your shelves at the lower price when you know the replacement cost is much higher than what you have on your shelves.

So whether this is a grocery store or a gasoline station or a refinery, the price is increased immediately. In this situation, there was another factor: this tremendous uncertainty whether supplies would be available in sufficient quantities, because we have never seen this kind of a sudden disruption of world oil supplies—4 million barrels a day overnight is something that is bigger than what we saw in '79 and '73. It was not clear that it would not go beyond and include Saudi Arabia, in which case you would have had 8 or 9 million barrels a day of shortage. You would have been beyond our ability to cope with it.

So for all of these reasons, it is clear that the price was rising. Also, these companies are all on a first-in first-out basis. So as the oil comes in, the latest oil price is the one that determines their sales price. It is not a ripoff at all.

Mr. HAMILTON. Do you agree with that, Mr. Verleger?

Mr. VERLEGER. I was going to add two other points. I was scrambling trying to find some prices that I had.

First, in 1986 this worked the opposite way. Over six months the price of crude oil dropped by \$12.50 a barrel, or 30 cents a gallon, and retail gasoline prices went down by 30 cents a gallon, if you look at the DOE statistics, almost day for day.

The second point is that crude oil prices rose by \$5 a barrel between June 20 of this year and the end of July, and it is my recollection that—I was on vacation through the end of July, but when I

look at the numbers—there was very little increase in the spot price of gasoline between June 20 and July 30. So in part there is 12 cents that one could say had been built into the system, and that had not been passed through at all.

So some of these price increases represent just a delayed adjustment to the rise in prices that had occurred earlier.

Mr. HAMILTON. Okay. I want to turn to my colleagues but, Mr. Popkin, you wanted to make a comment?

Mr. POPKIN. No, I just wanted to venture a possible definition of "gouging." I think that gouging to my mind would be the difference between the rise in the refiners' acquisition cost of crude oil which would be an amalgam of what it is paying for crude and spot and under contract, and what the end user is paying.

I think that if these price increases exceed in dollars and cents the increase in the cost of crude oil, then I think that is something that has to be paid attention to.

Now prior to this development in the Middle East, it is the case that refiners' margins—that is, the difference between what refiners paid for crude oil and the price at which they sold their end products—was a rather wide margin by historical standards. That was attributed to the high level of capacity utilization at the refineries. Capacity utilization is certainly not going to go up if there is a shortage.

I would expect there to be some give in refiners' margins, and I would also be watchful that at the retail level the increases do not exceed the dollar and cents passthrough the crude oil increases.

Mr. HAMILTON. On the basis of what you know now, was there price gouging or not?

Mr. POPKIN. Some of the reports, when I hear 17 to 25 cents a gallon, it seems to me that that is gouging. When I hear 7.5 to 10 cents at the pump, that is not.

Mr. HAMILTON. Well there are a lot of other questions.

Mr. Scheuer.

Mr. SCHEUER. Thank you, Mr. Chairman.

Mr. Popkin, just to follow up, 7.5 to 10 cents is not gouging; 17 cents is gouging. How about the time factor here? These shipments of oil coming by tanker from the Middle East, let's say at an admittedly higher price, are not going to hit the petroleum industry here in the States, are not going to hit the gas pumps, for about another three and a half or four weeks. But as I said before, those price increases traveled at the rate of the speed of light, 186,000 miles per second. Is that not gouging?

I mean, by the criterion that you laid on us that if their costs go up they have got a right to recover those costs plus a little bit more, I suppose, but until their costs have gone up is not a 15 percent increase at the rate of about \$6 billion a year? Would you not characterize that as "gouging"?

Mr. POPKIN. Well, I would subscribe to Mr. Verleger and Mr. Lichtblau's rationale for why the price of crude oil goes up instantaneously, so I would not consider that to be gouging. But I would like to focus this away from the price of crude oil itself—if that goes up \$4 or \$5 a barrel.

I would rather see us focus on refiners' acquisition costs of crude oil, which is an amalgam of what he is buying from all vintages

and what he has got on order. I think to start, we will not know that for awhile.

Mr. SCHEUER. That is four weeks from now. Their acquisition of the crude oil that has just been shipped and on which this whole energy crisis is impinging to raise prices, they will not even arrive at our shores for another four weeks.

Mr. POPKIN. I would suspect—and again I agree with the two other members of the panel—that the refiners' acquisition costs of crude oil went up the day that this happened. By how much would depend on the mix of where people were getting the oil.

Mr. VERLEGER. Excuse me.

Mr. SCHEUER. Yes.

Mr. VERLEGER. Almost all of the crude oil—

Mr. HAMILTON. Put the microphone right in front of you. It is a voice-activated microphone.

Mr. VERLEGER. Unfortunately, the oil industry has changed dramatically in the last 10 years, as those of us know who have been sort of laboring in these vineyards. As I said, I have been trying to write a book about what the next crisis is going to be like as a result of this change.

There is no such thing as contract crude oil anymore. Refiners do have contracts to buy crude oil, but the price that it is linked to is essentially the spot price of crude oil. It is all at the spot price. The crude oil that is loaded into Texaco's, or Exxon's, or Shell's, or Ashland's tanker—a tanker for Ashland in June in the Middle East that is arriving today on the Gulf Coast will carry a price on it that is today's spot price.

The shipper bears the financial risk. That is, Saudi Arabia, the exporter, bears the financial risk until the oil hits the refinery. That is when the price is determined. So you do not have this five- or six-week lag, and there is no real amalgam. It is all tied in, and it is determined by this spot price. That is the way the world has become.

When we dealt with this problem in 1980, a lot of oil moved at official prices. The Saudi Arabians set their official prices. So there was a very slow adjustment process between the refiner cost of crude oil and the spot market. It took two years to get there.

Now you have got it. It comes at the speed of light. And the system works down the chain that way. A company signing a contract to buy gasoline will generally specify that price determined at the time the gasoline is delivered. Maybe it is at the company's posted price, but if you examine the posted prices you will see that they move day by day, and in a period like this they move hour by hour with the New York Mercantile Exchange.

This is why I made the point that we needed to announce a sale from the Strategic Petroleum Reserve, because that would have stopped prices on the exchange from going up because of the uncertainty, and that would have then stopped all the retail price movement.

And we saw the same thing last December—and I testified several times—when heating oil prices went up and then came back down. Companies that bought inventories at the end of December took huge financial losses. I remember testifying before Senator Lieberman, who was asking, "Who made the windfall profits?"

Well, it turns out there was a several-hundred-million-dollar loss in the oil industry on the heating oil problem because everybody responsibly replaced their inventories at the end of December, worrying that January would be cold. January turned out warmer than normal, and the companies ate their profits. There were not any hearings about the loss from the weather.

But to come back to this refiner acquisition cost of crude oil, the refiner's average cost is almost entirely determined by the spot price. It is perfectly correlated with the spot price now.

Mr. SCHEUER. Well has the spot price gone up now?

Mr. VERLEGER. Yes. It was at \$28 a barrel.

Mr. SCHEUER. In a way that is commensurate or proportional to the price increase they put into place at the pump?

Mr. VERLEGER. Well, sir, the increase in the spot price between June 20 and July, according to my calculator yesterday, works out to 36 cents a gallon.

Mr. SCHEUER. So you are saying the industry has acted responsibly in response to market forces and has not used their power to manipulate the market?

Mr. VERLEGER. That is my impression, but it is too early to make that conclusion.

Mr. SCHEUER. Mr. Lichtblau, is that a position that you would take, that these price rises have taken place at the pump as a result of increases in the spot prices of oil and do not represent a manipulation of the market—

Mr. LICHTBLAU. Yes.

Mr. SCHEUER [continuing]. Or an exploitation of the current situation?

Mr. LICHTBLAU. Yes, I take that position. I do not think it was an exploitation. I think this was an instant reaction to a global event which cut off a tremendous amount of oil. And as Mr. Verleger says, everything is done at the spot level. So there is no 40 days, no 35 days; the day oil prices went up in the Middle East, they went up in Texas, Louisiana, Canada, and Mexico, and everywhere else. And the shipments that came in from the Middle East were already paying the higher price under most agreements.

So there was no delay. And, yes, there was some inventory profit being made at the time—and incidentally, gasoline prices went up just as much in Europe, in Rotterdam, in Italy—wholesale gasoline prices moved 16 cents a gallon in the last four or five days, which is just about what they moved here at wholesale. So it is a global market.

Mr. SCHEUER. So if they moved 16 cents a gallon in Europe where they pay \$3.50 to \$4 per gallon equivalent for gasoline, that is a very much more percentage increase at the pump than we have here.

Mr. LICHTBLAU. I understand. But the cost, the pre-tax cost went up just as much in Europe at the wholesale level as it did in the United States. So there is a world market, and obviously it cannot be manipulated on a global basis.

I think you will see the same thing going on on the decline side, obviously, if this situation is remedied—and I do not know when it will be. Prices are very likely to come down somewhat from where they are now. This morning there was an announcement of the

Saudi Arabian production increase. When that happens, over time gasoline prices will also come down.

They may be somewhat more sticky on their way down, which is a normal reaction. No business firm likes to reduce prices. They all like to increase prices—

Mr. SCHEUER. Right.

Mr. LICHTBLAU [continuing]. In every business firm, in every company—

Mr. SCHEUER. Thank you.

Mr. LICHTBLAU [continuing]. Because it is normal for a business to want to make more money.

Mr. SCHEUER. Ambassador Murphy, there was a very interesting story in this morning's Christian Science Monitor by a writer by the name of Undoni, a fascinating story that indicated that the Kuwaiti Government is despised throughout the Arab world. There is not an iota of sympathy for the Kuwaiti Royal Family, the Sabah family.

It indicates that King Hussein of Jordan has total support of his populace in their view standing tall and firm against efforts by outsiders—the United States and Israel presumably—any efforts by outsiders, including the rest of the world, to interfere with the peace process that he is trying to give leadership to.

The Iraqi government also has been hated and feared throughout the Arab world and also seems to have been the beneficiary of tremendous popular support around the Middle East because he is perceived as standing up to the United States and Israel, and perhaps other outside intervenors.

Tell me how this complicates our approach to the problem. And as a subset of that, assuming that we are successful in liberating the Kuwaiti people—assuming we are successful in stabilizing Kuwait and having a post-crisis government in Kuwait, and perhaps in Saudi Arabia, is there any chance that we could use this opportunity to produce the same kind of movement toward multi-party democracy in the Middle East—excuse me, in Eastern Europe and Central Europe that we have seen in the Soviet Union, that we have seen in the Baltic States?

We have read about stirrings in the Arab world of some leaders, some opposition leaders who want to participate in that kind of progress toward multi-party democracy. It came as a—I was astonished to read about it, but apparently there are voices in the Arab world that want to move those feudal governments toward some kind of a form of democracy.

Could this be an opportunity for our country to use the leverage we have in re-establishing some kind of order in the Middle East to liberate these opposition voices that are clamoring to be heard both in Kuwait and perhaps even in Saudi Arabia? Could we use this opportunity to encourage, by jawboning and otherwise, the Saudis to open up their government a little bit and let some of the winds of democracy blow through that we have seen blowing through Eastern and Central Europe?

Mr. MURPHY. Congressman, I think I would answer that that it is kind of one step at a time. I do not think there is anyone in the Arab world who takes seriously the Iraqi claim that they have liberalized Kuwait and opened it up for democracy. You ask any

Iraqi. You cannot get to any Iraqi to ask him because that is the way Iraq runs, is to isolate outsiders from the Iraqi people. It is very hard to make contacts. But Iraq is not run as a multi-party democracy, of course as you well know.

So I think our reaction at the moment is correct in calling for a return of legitimate authority, because the opposite of that is what there is in Kuwait today, a handful of young military officers selected—no question, selected by Baghdad. So it is not a “liberalizing,” a democratic thing that is happening in Kuwait.

Mr. SCHEUER. Not at all.

Mr. MURPHY. Okay. It is not an American job to pick the leaders of the Arab world, and I do not think there is any appetite for that. There has not been at least for many, many years in Washington to play that kind of game.

Mr. SCHEUER. Well how about encouraging a process that will—

Mr. MURPHY. Encouraging a process I think is very much another matter. I suggest the plate is very full at this instant—which is, to get them out and get the legitimate authority re-established.

Does that mean that the—and recall that there was a process underway in Kuwait. They had a parliament which they closed down in 1986, I believe, because they felt it was very provocative in the wartime situation, the Iran-Iraq war, and this year when I visited Kuwait in February there was a general expectation that how long it would take was not clear, but that the parliament would be restored by the end of 1990.

Now parliament was largely made up of what you and I might call “the establishment.” It was not filled by the Al-Sabah family. There were many other influential leading families in Kuwait, and there were some in the older parliaments who were what you might call dissidents, but believe me dissidents within a pretty limited range of political opinion.

The Sabah family was not described to me, or as far as I know to anyone else, as a despotic, harsh governing family. It was a benevolent, autocratic leadership. Now had they moved more quickly to restore the parliament, would they have insulated themselves from this push by Iraq? I do not think so. I think you are talking about a separate problem, and there is no disagreement between us.

But certainly it is our conviction as a nation, and the proof of what has happened in Eastern Europe, that a multi-party system goes hand in hand with the liberal economy, the free market. In the peninsula to date a free market has gone pretty much comfortably along with family rule, more traditional rule, where they kept channels of communication open through traditional means such as what they call the majlis system.

Now many Arabs in the Peninsula will tell you that that older form of political dialogue does not satisfy them anymore; they would like to see constitutions; they would like to see party life, as has started in Jordan to the North, in Algeria, and North Africa and elsewhere in the Arab world. So, yes, we should be true to our convictions that multi-party free market systems are the way to develop and the best way to stability.

Mr. HAMILTON. Mr. Lukens.

Mr. LUKENS. Thank you, Mr. Chairman.

First of all, it is very difficult to determine which way to go at this—through the security aspect, or through the world-wide need for dependence on petroleum aspect—so let me try to hit both a little bit.

We now have a world-wide window established for oil and international security, international human rights, that all come to focus on this area of the world, this one little country at this time. It is a matter of which we place first. I would like to think that we have a legitimate concern, and I do believe that our Administration and certainly this Congress has a legitimate concern about the appropriateness, the fairness, the legal aspects of deposing a country, of naked aggression.

What bothers me is this area has produced so many little Hitlers, just as Asia has little Tigers emulating the economic success of Japan. We have had Khomeini, and Idi Amin, and Khadafi, and now we have Saddam Hussein.

I am very disappointed, because I thought Saddam Hussein at one time had some potential for becoming a real leader in the Arab World vis-a-vis economic issues and diplomacy, other than aggression. So to the point: I do not think any threat economically to this person is going to make a difference.

He could have had the same results by massing on the border—and in fact for a few days did—forcing the Sabah family to come into negotiation, and decided to invade after all. He could have had the same results by just the threat of all that million-person army. But what bothered me throughout the whole thing—and I hate to sound like an aggressor—but I think the thing that is going to bother him is the fear of Iraq being hurt.

Now no one has talked about the position militarily and economically that Iraq is in. We have talked about the effect—and I think there will be an immediate and long-term effect if the sanctions are held, if we can really maintain a boycott and really go at it, and I think the President intends to do that—but what about militarily the threat to Iraq? It is the largest army by far in that whole area of the world.

The only bright aspect is that probably for the first time the U.S.S.R. is coming in on what I consider to be the right side, and also Turkey. But there is no country that is capable of standing up to this little dictator. Would you address that security aspect? And I hate to move away from the economic, but could you address that security aspect?

What do we do to threaten Iraq and makes him look and say, hey, maybe Baghdad could be in trouble; maybe my country could be in trouble instead of Kuwait.

Mr. McNAUGHER. I take it that question falls, at least initially, to me. The goal of U.S. forces at the moment is purely defensive. If a war starts, then I would certainly think that I would prefer to bomb Iraqi forces in Iraq than to bomb Saudi Arabia and Kuwait in the process of hurting Iraqi forces. So at that point, the whole thing changes fundamentally depending upon, in the end, whether you have air cover or not in practical military terms. So I certainly think our military strategy, should the Iraqis cross the border, will become one of hurting Iraq, perhaps deeply.

To shift in coming weeks to a more aggressive military strategy aimed at liberating Kuwait, to use the Congressman's expression, or indeed hurting Iraq militarily—I mean, one does not want to rule anything out as events move as fluidly as they are—but I think we ought to at least recognize that it represents a fundamental change of American military posture in the region. It completely changes the political dimensions which are operating here, by taking us outside the U.N. context. I am certain the Saudis did not sign on to have the Americans invade Iraq from their territory. Again, I do not rule it out because I cannot predict the future. But at this point, we are hurting Iraq deeply, I would think, with what appears to be a very effective embargo which, even if it starts to leak on the margins, is still costing Iraq an enormous amount.

So I think we are going with that for the moment, and I am not saying we cannot change our military goals, but I certainly hope we realize the momentousness of a shift toward an offensive strategy here and consider it very carefully before we move that way.

Mr. LUKENS. Does anyone else care to address that?

Mr. MURPHY. Well, Congressman, the Iraqis did move, at least initially, because of their financial plight as they saw it. One analysis has them spending something like \$300 billion over the course of the eight-year war. Oil income nowhere matched those expenditures. Foreign assistance specifically from the Arab oil producing states was nowhere making up the difference. So they ended the war with a debt of probably at least \$70—maybe closer to \$100 billion, half of which, the curious thing is, no one expected ever would be repaid. They were the loans extended by the Arab states.

The Iraqis have been very resentful of the Arab oil producers because they continued to carry on their balance sheets this claim on Iraq that they owed about \$35-\$40 billion back to Kuwait, Saudi Arabia, and the other states.

So they were provoked to move by financial pressures, by political resentment, and yes by political ambition. They want to be "the" Arab world leader. There seems to be no doubt about that. But what you have got in process over the last 24, 48 hours is an extraordinarily focused hard squeeze on the financial lifeline—the two pipelines, the potential ability of an international Naval force and a U.S. naval force if it has to be unilateral, to stop the remaining movement out of the Gulf itself.

You have a predictable food shortage. They have become very dependent on foreign food imports. Come, I think the projection is, October, this will be very clearly manifested in the markets in Iraq for rice and wheat. But the hope is that in their political calculations that they misjudged. If they still see the script playing out as they thought it would and they are counting on a collapse of international will—Saudi will, American will—then they will keep going, and they need to be confronted.

Mr. LUKENS. Let me refine my question further, if I might. I am concerned with not the absence—because we do have some verbal support and some outspoken support in some areas of that world for this emerging policy—but I am concerned by the fact that once again America will stand all alone and only our troops will be up forward when a showdown comes, if it comes. I am concerned by the absence of, for example, in this case even Syria which spoke

out, and Iran which spoke out and condemned it, but did nothing. Egypt condemned it but stated unequivocally that they will not send troops to Saudi Arabia.

So what I am worried about is, two months down the road when the sanctions drag on and there is a tendency for countries to say, well, they have had their lesson, let's start dealing a little bit, and suddenly the leaks show in the sanctions. We will be standing alone once again. I wonder if something can be done now to put some pressure on the Iraqis for example through the Kurds. The Syrian Kurds have been gassed by the Iraqis. The whole world knows that. Iraq denies it, but it is absolutely true.

The Iraqis even gassed their own people when they got in trouble, and they gassed the Iranians. Now that is a horrible thing to say, but it is a matter of truth well known and a matter of fact. They have not been threatened by anything as heinous as that. They have been threatened by nothing as deadly as that. They have been allowed a free hand.

We are seeing Hitler emerge in the Mideast with a potential of controlling—because if he wins this battle of mano a mano, he controls 20 percent of less and deathly intimidates another 25 to 30 percent, he will control 50 to 60 percent of the world's oil on which the whole world depends. This is showdown time.

Now somebody please make me feel a little more comfortable about a peaceful but a fair settlement of this whole thing. I do not see it in the cards right now. I see us standing alone again two months down the road, with or without a commitment, and hopefully it is with a commitment to see it through. How much support can we have from the other countries?

Mr. MURPHY. There was that apprehension in this room in the spring of '87 that President Reagan was way out ahead acting like a cowboy, unsupported, the U.S. isolated, where are the Japanese, where are the Europeans. Well, it only took about 60 days. Admittedly it took a major act of mining of the Gulf waters by the Iranians to bring in the Belgians, the Dutch, the Italians, and the mine-sweep operations joining the quietly present force of Britain and France. British and French—

Mr. LUKENS. But no Arabs, Mr. Ambassador. That is my real fear. Forgive me for interrupting.

Mr. MURPHY [continuing]. Navies are there today.

Mr. LUKENS. Forgive me for interrupting, but no Arab Nation is sticking its neck out, and that really bothers me because once again it looks like America is trying to impose its foreign policy on the Mideast, when really we are talking about the world now, not just an area of the world. That is what so many people miss.

Mr. MURPHY. Congressman, if Admiral Crowell was sitting here this morning he would tell you that Arab nations did stand with us, because Admiral Crowell could not have mounted and sustained the Naval operation that he had in 1987 without Arab support. He got it. But they did not talk about it.

There is a problem of Arabs, given for a whole variety of reasons, standing up tall, speaking out about their cooperation with the United States. I think, keep in mind what Congressman Scheuer mentioned: Saddam has a popularity among the young, among the have-nots, among both the OPEC and the non-OPEC producers. He

jacked those prices up—pointing the finger at the Kuwaitis and the United Arab Emirates for having pushed it down.

Mr. LUKENS. I thank the gentleman. I have run out of time. I would like to make one closing comment.

I really am concerned about the world-wide implication if we do not put it together, and I am hopeful that we do have some support from other areas. But I must take this moment, Mr. Chairman, to commend the U.S.S.R. because, as an oil-producing country, they have a great deal to gain I guess by a shortage of oil. By the same token, they have shown a good deal of courage in their cooperation in this matter, and I just wanted to make that statement.

Mr. HAMILTON. Ms. Ros-Lehtinen.

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

Gentlemen, when should the American consumer be expecting long gas lines if the current situation continues?

Mr. LICHTBLAU. I think the chance of a gasoline shortage, of long gas lines, is very low at this stage, particularly since we now have heard that Saudi Arabia will cooperate by increasing its output. There is not any physical shortage, and there need not be any physical shortage.

Again, we talked about the Strategic Petroleum Reserve. There is enough oil there to prevent a physical shortage. And also the Europeans could do the same thing. So there is very unlikely to be the kind of a scenario that you had back in 1979.

I would say, however, the shortage in 1979 that caused the gas lines was not because of the unavailability of oil because of the reduction in production, but because there was a global hoarding process because of the insecurity of future supply since it was not known what would be available. And also because of Government intervention in the process of distributing the oil and selling it.

If it had not been for these facts, there would have been no shortage then. There would have been no gas lines. So it was not the physical loss of oil as a result of the Iranian revolution; it was the fear that this would spread and there would be no oil available. It is a normal phenomena of hoarding when there is fear of a shortage which then creates the shortage. So it was an artificially created shortage, but it is a normal process because of the tremendous insecurity.

Also, there was almost an irrational belief at the time that oil prices could only go in one direction. If you put oil into your shortage, the price would go up or stay where it is; but the idea that oil prices would go down again was not prevalent in 1979 and 1980, and correctly so for they did not go down until much later. But today is quite different. We have learned that prices can go from \$35 to \$15 and less. So the false security that inventories are safe from price collapses no longer exists. That is another basic difference.

Ms. ROS-LEHTINEN. Thank you.

Mr. VERLEGER. If I may, it seems to me that the decontrol of oil prices in theory guarantees us pretty well that there will be no problem. The logistical system, however, is such that if every American consumer were to panic and decide to go and tank up, you have gasoline lines simply because there is not enough gas—you cannot move that much through the system in the time avail-

able. It would be as if everybody decided to go to the bank and make a withdrawal at the same time. The banks expect to get 50 customers an hour, and if they have 500 customers then they get lines.

But there is plenty of inventory. There is plenty of supply. There should be no problem.

Ms. ROS-LEHTINEN. If I could ask you about the price per gallon increases, what was the highest average price per gallon when we had our last gas problem, energy problem? And how high do you think the oil prices will go up this year? And how soon? And how much more?

Mr. VERLEGER. Let me ask you, when you say "the last energy problem" —

Ms. ROS-LEHTINEN. 1979.

Mr. VERLEGER. We had price controls in 1979, and we had a very different system of passing prices through. So I think you would really have to look to 1981, about March of 1981, and I think it was \$1.45, but I may be a little off. That is my recollection of the retail price. Now taxes have gone up a little bit. Some of us think they should go up more to at least pay for roads, but I suppose the average price you would look for, if in fact we are at the peak now and if Saudi Arabia really does increase production, the most you are going to see is a retail price between \$1.40 and \$1.50, when the whole thing works its way through. That is conjecture. That may even be high.

That does not mean that in some city gas stations and in some high-cost areas with very high taxes you will not see higher prices; that is an average.

Ms. ROS-LEHTINEN. What industries and what areas will be the most severely affected by this problem?

Mr. LUKENS. Well, the petrochemical industries obviously are going to be affected because all their material costs will go up. The transportation industries are affected. So it is going to have a ripple effect through the economy. But it may be a relatively moderate effect if prices do not rise any further, or not significantly further.

What we have seen is something reduced to a few days that may otherwise have taken a few weeks. If the same price increases occurred over a two, three-week period, it would have been very difficult for anybody to even use words like "gouging" or "taking advantage," that sort of thing, because everybody would have seen, here is what happens to the crude oil price and two or three weeks later retail prices move up along the same line.

So what we are seeing is that the consumer really would, by the end of a two or three week period, have paid the same price. So the debate is over that brief period, which is relatively irrelevant because we are talking about what the consumer pays over a year's period, or in 1991, not whether the price moved up two days after the event rather than two weeks after the event. It may be unpleasant that you instantly had to pay more, but it is a relatively small share of what the consumer spends.

The real problem is, can we continue this embargo without hurting the consumer to the point where the consumers puts pressure on that something has to be done. As soon as Saddam Hussein sees

that the world can do very well without Iraqi and Kuwaiti oil, and that prices do not keep rising, the sooner he will realize that his main tool does not work; that something will have to be done.

His country is entirely based on oil, and nothing else. If they have zero oil exports, and if Kuwait has zero oil exports, and if their foreign assets are all frozen, these countries cannot exist. So the problem is, can we continue that embargo without hurting our consumers too much?

Ms. ROS-LEHTINEN. Thank you.

If I could ask a question to Mr. Murphy concerning Israel, what threats Israel is facing now due to the Iraqi invasion, and what preparations is Israel making for this threat?

Mr. MURPHY. Congresswoman, I think that Israel, as always, maintains a very careful watch on the region. Israel did hope a few years ago that there might be a new Iraq. If you recall, there was even a project under discussion that a new pipeline might be built down through Aqaba in Jordan, and across Sinai, and the Israeli leadership of both parties were interested in that project because they said, maybe that is the first time that we will see Iraq being ready to be drawn into regional discussions—economic, commercial, what you will.

But they were quite hopeful that the black image they had of Iraq perhaps had not been totally justified, and the Israeli perceptions of Iraq did also shift during the Gulf war. Initially the Israelis were I would say totally pro-Iranian. That was a long-standing policy to keep those confrontations going. That was seen as the benefit of Israel. It was only near the end of the war that the Israelis began to be apprehensive about fundamentalism, the appeal of fundamentalism fostered by the example of the Ayatollah and others in the region.

Israel does not face any more threat today because of what is going on in Kuwait. In fact, I would think Israel would be very pleased to see international political support for Kuwait's, although Israel never has and never will rely on that for its own security. It is going to depend on its own strength.

But it does give the Israelis the excellent evidence to remind the world that the only problem is not Palestinian Israeli, it is Arab State hostility to Israel. I do not personally think the world needed that reminding. I do not think we have ever simplified the problem to be just Israeli-Palestinian. What we have said, "we" the American Administration, is that the Palestinian-Israeli problem is going to be neglected to the danger of regional security, but Arab State hostility is a problem.

Ms. ROS-LEHTINEN. What effect do you think that this problem will have on the Arab-Israeli peace process?

Mr. MURPHY. Again, Congressman Scheuer asked should we be looking at fostering multi-party systems and great democracy in the Arab world, and any crisis like this is both a threat and potentially an opportunity.

Could one expect to see some rethinking about the peace process in capitals and about relationships which have been frozen all these years? I am thinking specifically about Israeli-Syrian. Hafez al-Assad is not going to get on the road and drive down to Jerusalem, but there have been shifts in the power balances and, most

dramatically so in the case of the Iraqi invasion of Kuwait which could have an impact on Syrian thinking, could have an impact more broadly.

I do not look for any early manifestation of that, but this has been a tremendous shock in the region, far beyond the military action in Kuwait.

Ms. ROS-LEHTINEN. Thank you.

Thank you, Mr. Chairman.

Mr. HAMILTON. Mr. Scheuer.

Mr. SCHEUER. Mr. Chairman, just one last question.

I would like to have your ideas on what the President should be doing now to ameliorate the impact on consumers and the impact on our society of this oil crisis, to defuse it, to reduce the blow, the severity of the blow.

If you were advising the President, tell us in some kind of priority order what would you be telling him today, among the enormous array of options that he has. Should he be jawboning the oil industry, the gasoline industry, to be more responsible in their price increases?

Should he be jawboning the American public about making more rational uses of energy themselves, conserving energy with all of the options that are available there at little or no cost?

Should he be thinking about supporting legislation that the Democratic Party and the Congress has been espousing for a decade to require the automobile industry and stationery energy users, manufacturing plants, and utilities, to make substantial capital investments in energy efficient technology so that they consume less of this precious commodity? And that would have a tremendous freebie result in making our environment far more benign and far more consumer friendly.

Should he be thinking about advocating a higher level of international oil policy cooperation with our allies, perhaps in the simultaneous drawdown of everybody's energy reserves, perhaps in encouraging alternatives to petroleum world-wide? Perhaps encouraging the international community to push and shove for expansions in oil output not only by the Saudis and the United Arab Emirates but also the non-OPEC producers of Venezuela, Mexico, Canada, and Argentina, who according to what I have read have tremendous sources of off-shore oil.

What, of all of the arrays of policy options that the President has, what are the opportunities for jawboning that the President has and would you advise him to take in the months and weeks ahead? Any of you.

Mr. LICHTBLAU. Well there is a big difference of course between short-term and long-term. Right now we are faced with a situation that only started a few days ago, and what can the President do in the short-term to alleviate it?

As I say, unless prices start declining again because of the new developments, the first thing he could do is use the Strategic Petroleum Reserve on a moderate scale. The very fact that it would be used is likely to dampen prices.

Mr. SCHEUER. Should he be asking the German and the Japanese—

Mr. LICHTBLAU. Yes. I was just going to come to that. There is going to be a—

Mr. SCHEUER [continuing]. To open their reserves.

Mr. LICHTBLAU. There is going to be a Board meeting of the International Energy Agency in Paris tomorrow, and I think this will be discussed. The U.S. Representative could ask, and may very well ask that under the right circumstances these countries—Germany, Japan, and several other countries that have also Strategic Petroleum Reserves—draw down on these reserves in order to offset the loss caused by the situation in the Middle East. And especially now that loss is not very big because of the Saudi Arabian production increase and it should not be very difficult to make up that loss in the short term to get prices back to normal.

They will not, as Dr. Verleger said, they will not come back to where they were in June because there was a price increase in the making before the invasion of Kuwait. It had something to do with Iraqi strength. But OPEC decided to renew discipline within its ranks, partly because of Iraqi military pressure on Kuwait and the United Arab Emirates.

Mr. SCHEUER. Thank you, Mr. Lichtblau.

Mr. LICHTBLAU. And as a result, oil prices have started to move up moderately before the invasion, and I think these new prices will stay with us. So to some extent prices will be higher.

Higher prices do have an impact. They cause somewhat of a reduction in the consumption increase, and if they are sustained they will cause somewhat more drilling in the United States.

Mr. SCHEUER. Thank you, Mr. Lichtblau.

Can I hear from the other members of the panel?

Mr. VERLEGER. Congressman Scheuer, with one exception we have always made our long-term energy policies at a time of crisis—at least in the last 20 years. I recall President Nixon in 1973 announcing Project Independence after the embargo. President Carter in 1979 introduced the Synthetic Fuels Corporation and several other measures. The one exception was the National Energy Plan introduced by President Carter in April 1977.

I do not think that today is the time, really, to take action or design a national energy plan. I think it is time to start a discussion, and I am afraid that many of the ideas we have talked about in the past are now bankrupt. I have been pushing a gasoline tax for 20 years. I think there are other ideas—congestion fees on roads and so on—that are better from an environmental point of view.

But as I said in my opening statement, there is one clear step that should have been taken last Thursday when we put the embargo on exports. That was a statement that we were starting the process to hold an auction of oil from the Strategic Petroleum Reserve. That would have kept the price of crude oil probably at \$22 or \$23 a barrel.

Earlier I said it was a 36 cents a gallon increase. I was wrong. It was 31 cents a gallon. Maybe we would have only seen 15 cents instead of 30 or 31 cents.

So that is the clear step. We are doing the right thing by meeting with the other countries in Paris. Clearly Turkey, which is a member of the IEA, has a problem. They have suffered a 50 per-

cent loss in their supply of crude oil because half of their crude comes from Iraq and we are going to have to do something to help them. But that is the first policy.

I would also argue that now is not the time to be looking at energy policy for the longer term.

Mr. SCHEUER. Are there any lessons to be learned from the '73 and the '79 oil crisis that the President should be thinking about and perhaps applying those lessons now?

Mr. VERLEGER. Well, it is clear from the changed structure of the market; particularly with the linkages to the futures markets and the credit markets, that there is a financial element to an oil crisis that is very important. So I think the Federal Reserve Board and the Department of Energy probably are getting acquainted for the first time, and that effort should have taken place ahead of time.

The Commodity Futures Trading Commission and the Department of Energy may also be getting acquainted for the first time. The recognition of the interrelationship should be greater.

Mr. SCHEUER. Yes.

Mr. POPKIN. I would have four elements of advice in response to your question, Congressman Scheuer.

The first is, I would urge that the political process continue to be used to shorten the period of time during which oil prices are likely to stay high. I think that this period of time can be shortened through that process. I think it is particularly significant, that the first development in this process was the joint statement by the U.S. and U.S.S.R. that they were not going to supply weapons into this area because that certainly would have provided the capital goods to make a lengthy process of that. So the first element would be: Use the political process to shorten the economic process, which would occur anyway—greater supply and less demand in the long run.

The second thing I would recommend would be for the Administration to persuade the FRB that it was optimistic about the restoration of more normal energy prices in the short run, and the Fed need not overreact to this particular development. In fact, it should be more mindful of the purchasing power that is being sapped out of the U.S. economy and more concerned about a recession that could evolve.

The third element would be not to let this latest chapter in what has been a 15-20-year history of problems in the Middle East deter the Administration, the Congress, from tackling what I consider to be our major—our foremost domestic economic need, which is some kind of deficit reduction package which could be traded off with the Fed for monetary ease.

Finally, I do not share my colleagues' view that this is the time to abandon including the energy industry in those discussions. I think this rise in gasoline prices has certainly shown that a gasoline price increase whether by tax or by war is regressive, but I do think that in terms of long-run conservation that this is no reason to delete considerations of a gasoline tax increase from some kind of an overall budget compromise, providing its regressive nature is understood.

Mr. SCHEUER. Anybody else?

Mr. McNAUGHER. Your question was directed to the economic side, and I am not prepared to answer that, but let me just take it into the security area for awhile. What can the President do next?

I am less impressed with the need for immediate action on the strategy front than I am impressed with what we have done so far. I sense in Mr. Lukens a worry about the present circumstance that I do not share. We have forged an enormous international consensus here in a remarkably short time. We are hardly alone. We have begun to impose costs on Iraq that simply cannot be trivial even though we cannot predict what they will do ultimately.

I share his concern about the absence of Egyptian troops in this multi-national deployment, yet it is clear that we have Saudi support. We have Egyptian support. We are probably landing in Morocco. There is some Arab support for this.

What I worry about is that the pressure to "do something" will push the President to move ahead of the consensus. It seems to me we are at a point where we do not know what Saddam is going to do. The ball is really in his court at this point. The best way to hedge against his next moves is to maintain the international cover we have worked so hard to forge.

So I think that, besides tying up some loose ends at this point—we have deployed some troops; obviously there are some logistical concerns there; and we need to keep working with the international community—let's do nothing for awhile and let's see what Iraq does and then respond within the international framework we have created.

Mr. HAMILTON. Gentlemen, we have had at least a fragmentary report here of what is coming out of Iraq this morning. The Iraqi state television declared today that Kuwait is part of Iraq and called "for full unity between Kuwait and Iraq." The newspaper report, the AP dispatch, says the statement stopped short of saying Iraq has annexed Kuwait, but strongly suggested that Iraqi Saddam Hussein has no intention of giving up the Emirate.

Apparently in the remarks this morning out of Iraq, the stress was put on Arab unity and attention was given to the fact that colonialists had created 22 separate nations artificially, which has divided the mineral wealth unfairly and arbitrarily. It went on to say that Kuwait was under foreign influence and not therefore truly Arab, and he accused the Ruling Family of corruption in treating other Arabs as servants.

I guess my question is: How much resonance in the Arab world will that kind of a pitch have? He is obviously hitting this "have/have not" theme pretty hard. If you look at Kuwait, the family there had enormous wealth. There was clearly disparity of wealth. There must have been some opposition in Kuwait to the family, I would think. Not knowing it, I could not identify it for you, but it seems reasonable to me that there might be.

If you look at the recent television reports, it is obvious that in Jordan there has been a lot of resonance of Saddam Hussein's pitch between the haves and the have-nots in the Arab world.

What do you think? Ambassador Murphy, Mr. McNaugher, how much of a reaction, favorable, is Saddam Hussein going to get with that kind of a pitch?

Mr. MURPHY. You could say the same thing about post-colonial Africa. There were a lot of artificial borders, a lot of artificial boundaries. Two generations have gone by in those regions and there has been an adjustment and movement away from bitter resentments that they were arbitrarily divided by Britain, France, Belgium, Germany, whoever was the colonial power.

They have developed a life of their own, and I think, while there is an emotional resonance here appealing to the have-nots, appealing to Arab divisions, preaching the Bathi doctrine of the ruling party in Baghdad, that the Arabs are nothing if they are not one, and this is a leader who spoke very eloquently and in a very troubled way last February when he said the tragedy of the world today is there is only one super power, so we have got to create an Arab block which will match it. And we will not be dictated to by the United States.

This does have a resonance. So as we calibrate and think through our moves, we have to take that into account. We have to move very carefully and firmly against the invasion, firmly against the nominating of a puppet government. But we are aware that that region is changing.

Mr. HAMILTON. And that is why you emphasized earlier working with the Arab governments.

Now President Mubarak this morning apparently said he is not going to send troops. I think most of us had understood that he was going to send troops, as of last night. Now he has changed—or maybe he did not change; maybe we just misunderstood.

What is the significance of this, anyway? Mubarak says he is not going to send troops. Why would he do that? We have poured enormous amounts of money into Egypt. This is a critical point for us. We are asking our Arab friends to take a position with us here against Saddam Hussein, and Mubarak says, no, we are not going to send troops.

King Hussein in Jordan praises Saddam Hussein and apparently lines Jordan up with Iraq. Why are our Arab friends here not helping us more? Why do they not come to our assistance? Why are they so ambiguous?

Mr. MURPHY. It may be a function of U.S. relationships in the region, in part, Mr. Chairman. They are ambiguous because they have heard their people, their newspapers, and some of their colleagues in other Arab states say that we could not be impartial in the Arab-Israeli picture. We are seeking only American interests and/or Israeli interests, so they are nervous about open collaboration.

I do not think we should dwell this morning, given the lack of clarity about just where Egypt is going with a suggestion that they may be ungrateful for all the support we have given. You have got two needs. One is support for the American presence in Saudi Arabia, and one is potential support for an Arab force that might go into Kuwait and be—I mean, I've said we won't have the idea, but I think an Arab force in Kuwait to replace the Iraqis. I would not be a bit surprised to see Egypt joining that.

Mr. HAMILTON. As you sit there this morning, what is your reaction to the Arab response so far? Are you comfortable with it? Is it predictable? Is it disappointing? As you look at not just one coun-

try but the Arab response generally to our actions, the U.N. action and so forth, how do you react to it?

Mr. MURPHY. Each one has reacted for his own reasons, but you have 14 votes in condemning the invasion taken by the Arab League just a few days ago.

Mr. HAMILTON. How many abstentions?

Mr. MURPHY. Seven abstentions.

Mr. VERLEGER. Mr. Chairman, if I can offer one thought, I have studied the area as an economist because of the importance of oil. Part of the response, I think, one observes from some of these countries has been to the bitterness that is felt about the decline in oil prices. When oil prices were high, Saudi Arabia, and some of the other countries to a lesser extent, provided a great deal of foreign aid to the poorer Arab countries.

One of the stories that was developing in the press in June and July from Hussein was the fact that the poverty that has come to this area—in Jordan, for example—was in large part due to the low price of oil that has been engineered. As you know, he blamed Kuwait for this. So that in one sense it would appear, and some of the people I have talked with have thought about this, that he has really struck a chord with the populace in these countries, by saying that their poverty and their recent discomfort are due in large part to the fact that the price of oil collapsed.

Mr. HAMILTON. How much—I will wander just a moment here—but how much of the oil does Saddam Hussein now control with Kuwait and Iraq? He controls how much?

Mr. VERLEGER. He controls 5 million barrels a day, which is roughly 10 percent of what we used to call “free world” flows and I guess you would call market economy flows.

Mr. HAMILTON. What percentage of the oil reserves does he control?

Mr. VERLEGER. John, do you know?

Mr. LICHTBLAU. Something like 25 percent.

Mr. HAMILTON. Twenty-five?

Mr. LICHTBLAU. You mean Iraq and Kuwait together? If you wait one second—

Mr. HAMILTON. Now if you control 25 percent of the oil reserves—

Mr. LICHTBLAU. Of the oil reserves in the Middle East, not the world.

Mr. HAMILTON. If you control 25 percent of the oil reserves in the Middle East, how much clout? How much influence? How much control do you have over the price and supply of oil?

Mr. LICHTBLAU. Kuwait and Iraq together is now almost as big as Saudi Arabia. It would be the second largest oil producer in the world outside of the United States and Soviet Union. Since Iraq and Kuwait were really at odds for all these years, they were totally different entities. Now that they are together, I think that they will have a tremendous influence if they stay together.

Also, Kuwait has substantial spare producing capacity that could be made available or not made available. Iraq has very little. So Iraq and Kuwait together are an oil super-power now, which they were not when they were totally separate.

Mr. HAMILTON. And an oil super power along the level of Saudi Arabia.

Mr. LICHTBLAU. Not quite, but only second to Saudi Arabia.

Mr. HAMILTON. Not quite, but almost.

Mr. VERLEGER. I—

Mr. HAMILTON. Use that microphone. I am sorry you have to shift it back and forth.

Mr. VERLEGER. I would argue that right now Saddam Hussein is OPEC because without the U.S. military in Saudi Arabia he will not only control what the BP Statistical Yearbook says is 19 percent of total world oil reserves, but he can also influence or tell the Saudis and the other smaller Middle Eastern States exactly what they can do. So essentially he has control, unless we put the military into the buffer zone to prevent him from doing it.

Mr. HAMILTON. If we do not do anything, he controls the price of world oil. Is that what you are saying?

Mr. VERLEGER. Yes.

Mr. LICHTBLAU. May I just correct the numbers: Kuwait and Iraq each control 10 percent of the world oil reserves. So together they have 20 percent of the total world oil reserves, including the Soviet Union and China.

Mr. HAMILTON. I do not want to let go of this Arab question I was asking Mr. McNaugher. You wanted to comment on it.

Mr. McNAUGHER. Mr. Chairman, you asked Ambassador Murphy whether he was comfortable with the Arab reaction, whether it was predictable, and the answer is "no" and "yes," I suppose. I am certainly not surprised that even as gross a violation of the Arab League Charter as Iraq's invasion of Kuwait does not produce a unanimous outcry from the Arab world. Certainly one cannot expect Jordan, King Hussein being in a very vulnerable position, to oppose that invasion.

One would also expect Syria to take an opposing position, and Egypt. So I am not surprised by the Arab world's reaction. I am not comfortable with it. We should certainly be working, to the extent that we have influence over Arab opinion, to extend the Arab League's consensus against Iraq, which raises the issue of what Egypt has done.

Frankly, I do not know. We have often misunderstood Arabs on many issues. So there may be just a misunderstanding here.

If we assume that Mubarak has reversed himself, the worst case would be that he has sensed his vulnerability, that there is a shakiness in the Arab position. He has a lot of have-nots within his own borders after all, and he may be repositioning himself.

The best case, and I tend to lean in this direction, is that he senses that in the end he might be more useful in bringing together a regional solution to this problem that is mutually acceptable than tainting himself and his forces by inserting them alongside American forces. If that is in fact the case, if the Egyptians working through the Arab League are able to find some regional solution to this that is acceptable to the United Nations and the United States, then that in my view is the greatest support that Egypt could give to us.

Mr. HAMILTON. So you think it is good strategy on the part of President Mubarak not to send—

Mr. McNAUGHER. No, I do not want to say that.

Mr. HAMILTON [continuing]. Not to send troops because it would permit him to position himself and deal as a mediator? Is that it?

Mr. McNAUGHER. I would much prefer to have Moroccan and Egyptian troops there. I think there should be as much of a multinational ground force as there can be. Ground forces have a psychological effect associated with them that navies do not have, that even air forces do not have. They symbolize commitment, and I would have liked that.

I am trying to divine what has happened here. As I say, it could easily have been a miscalculation. I am trying to put the best face on it in the presence of my own ignorance on just exactly what is going on with the Egyptians.

Mr. HAMILTON. Mr. Ambassador Murphy, what about King Hussein of Jordan now? What is his angle here? Is he so deeply disappointed with the United States that he has given up on the United States and cast his lot with Saddam Hussein? Is that his position here?

Mr. MURPHY. I think he has been disappointed in our lack of energy on the peace process. We have had our own disappointments in the past, ourselves, with Jordan. That said, I think what may be the principal concern that King Hussein has is the fear that out of Israel will come—out of the Israeli political discussions will come a governmental decision, rather than just a statement of Arik Sharon's that Jordan is Palestine, and that if he does not have a strong ally and strong depth and if he is not taken seriously by Israel because of that friendship with Iraq, he will be deluged by Palestinians being pushed one way or another over the Jordan River.

Mr. HAMILTON. To what extent is King Hussein being a politician here and simply responding to popular sentiment in Jordan? I gather from some of our reports at least that Saddam Hussein's action against Kuwait is very popular in Jordan.

Mr. MURPHY. Well, I am sure that is an influence on his thinking, but I think it is probably a mixture of his understanding that among the Palestinians there is respect for Iraqi strength. That complements his respect for Iraqi strength, that it could be a buffer and a block to what he has been concerned about for some time now—an Israeli expansion, at least through the pushing of the refugees or the Palestinians across the River.

Mr. HAMILTON. Can any of you give me an idea of how badly off the Iraqi economy is, and if these sanctions are successful what impact that is going to have on Iraq? Let us assume for a moment that the sanctions are successful.

Mr. LICHTBLAU. Well there is no other industry in Iraq.

Mr. HAMILTON. What?

Mr. LICHTBLAU. There is no other industry in Iraq except oil.

Mr. HAMILTON. Yes.

Mr. LICHTBLAU. Their total exports in 1989 were \$12 billion, and 95 percent of it was oil exports. So I assume that the Iraqi economy would fall apart if it could not export oil.

There was a very substantial reduction in Iraqi oil exports at the beginning of the Iran-Iraqi war. It went down by about 70 percent.

However, at that time Iraq had the financial support from Kuwait and Saudi Arabia. Obviously it will not have this.

Mr. HAMILTON. Do the sanctions include food?

Mr. LICHTBLAU. No, they do not include food.

Mr. HAMILTON. One of you is nodding yes, and one of you is nodding no.

Mr. LICHTBLAU. Not medical supplies.

Mr. HAMILTON. What?

Mr. LICHTBLAU. It is everything but medical supplies included in the sanctions.

Mr. HAMILTON. Food is not included?

Mr. LICHTBLAU. It is included.

Mr. HAMILTON. It is included?

Mr. LICHTBLAU. It is included, yes.

Mr. HAMILTON. So we are not going to ship any food in there. Australia is not going to ship any food in there.

Mr. LICHTBLAU. Right. And they import most of their food.

Mr. HAMILTON. Turkey is not going to let any food go into Iraq? Is that right?

Mr. LICHTBLAU. Well, under the U.N. Resolution that should be the case.

Mr. HAMILTON. And how long can Iraq stand all of that?

Mr. LICHTBLAU. Well, that is the big question. I mean, most of their food is imported. In the case of Kuwait, their economy is made up entirely of two sources: oil exports and the money they earn from their foreign investments. Oil exports are zero, and all their foreign investments have been frozen. So there is absolutely no income in Kuwait now. So it is difficult to see how these one-commodity economies can survive when their economy is totally out, and when they have no assistance from any other country—which Iraq had during the Iran-Iraq war.

Mr. HAMILTON. Mr. Murphy?

Mr. MURPHY. The only addendum to that I would make is that countries do not go bankrupt. You do not act like a bankrupt unless you know what bankruptcy is, and you do not follow the rules of bankruptcy in terms of changing a political course unless you accept those implications.

Mr. HAMILTON. I have now the statement that the President made this morning. To return to a point we earlier discussed, he said:

“Four simple principles guide our policy:

“First, we seek the immediate, unconditional and complete withdrawal of all Iraqi forces in Kuwait;

“Second, Kuwait’s legitimate Government must be restored to replace the puppet regime.”

Mr. McNAUGHER. I heard Al-Sabah, but I think Ambassador Murphy’s point is correct. I think there is no indication that that does not refer to the Al-Sabah.

Mr. HAMILTON. But it is also a little vague, is it not?

Mr. McNAUGHER. Yes.

Mr. HAMILTON. That is interesting, is it not?

Mr. McNAUGHER. Yes.

Mr. HAMILTON. That he would not say the Sabah family.

Mr. McNAUGHER. A little light there.

Mr. HAMILTON. I was interested in your comments, Mr. McNaugher, about Iran. I am not sure I got them all in your statement, but I did hear the word "reconsider our relations with Iran." That interested me.

Now you know that there is not any country in the world we have had a tougher time with than Iran in the last decade or more.

Mr. McNAUGHER. Maybe one, in the last week. [Laughter.]

Mr. HAMILTON. All right. Over the last decade, Iran would be in a class almost by itself. Now what do you mean we have to reconsider our relations with Iran? Does that mean we begin talking to them?

Mr. McNAUGHER. The problem with Iran, the problem in the Gulf, is that in the two years since the Iran-Iraq war ended, Iran has moved virtually not at all either economically or militarily. Its forces literally are on the Iraqi border.

When the Shah's forces were on that border, the Iraqis had to be very careful about how they flexed their muscle, because there was a balance there. In pure, ruthless realpolitick terms, what American policy should aim for is a balance at the north end of the Gulf that lets us step back from the region. It is not a region we are ever going to be able to deal with very well. There are always going to be complications.

That is why we tilted toward Iraq for six years of the Iran-Iraq war, and that made sense. I am saying that now is the time to tilt toward Iran because the balance has clearly shifted the other way.

Mr. HAMILTON. What does "tilt" mean?

Mr. McNAUGHER. Well, I am glad you asked. First of all, it should be clear that the Iranian government is so hamstrung, still, by its own factional politics that even if aid were offered, even if economic investment packages and arms were offered, Iran is not in a position to reach out and take that. They were barely able to take our aid during the earthquake a few months ago.

All I am saying is that when I go into the State Department and say, how is Operation STAUNCH today—which was the effort to staunch the flow of arms to Iran—that it is still, or at least that it was last week, part of American policy. At the very least, we have to reconsider that.

I do not think there is much hope for a U.S.-Iranian relationship in the near or even mid-term. I do not think that is important. But certainly a Western European relationship would be helpful. There is a French-Iranian relationship budding at the moment. Certainly we can at least back off from seeking to staunch the flow of arms to Iran.

Whether the Iranians can take advantage of this in the short term may be doubtful. But in the mid- to long term Iran is going to come back and Iraq, I would presume, under those circumstances, is going to have to be a little more careful about how it flexes its muscle. Hopefully we will have also by that time imposed on Iraq some respect for the rules of the game. I think that is actually what is going on here now, and we will have a balance at the north end of the Gulf which lets us step back and gives the Saudis the kind of diplomatic maneuver room they need to make policy and set oil prices.

Mr. HAMILTON. Mr. Popkin, do you think we are going to have a recession now?

Mr. POPKIN. I still think it can be avoided. It is going to be a very close call.

Mr. HAMILTON. It depends on the Fed?

Mr. POPKIN. I think so.

Mr. HAMILTON. If oil from Kuwait and Iraq is completely eliminated from the world market for a period of time, what kind of an oil price do you have to have to clear the market, to bring demand into balance with a reduced supply?

Mr. LICHTBLAU. We both have answers to that.

Mr. VERLEGER. Yes. Let me start. I said in my testimony that at least for the first five or six months the price would be \$40 to \$50 a barrel if there were no release of strategic stocks, and if there were no compensating increase from Saudi Arabia and the United Arab Emirates. It might be a little lower, but that is before we take account of any recession.

Mr. HAMILTON. And you now anticipate some substantial help from the Saudis?

Mr. VERLEGER. And that gets you a price that is probably in the low to mid-twenties—under \$25, above \$20. I would say \$22.

Mr. HAMILTON. The President in Venezuela says that there will be no problem in making up for about 4.5 million barrels of oil a day that have been flowing from Iraq and Kuwait. He told Vice President Quayle that Venezuela would deliver an additional 500,000 barrels a day.

Mr. VERLEGER. I would assume that would be 700,000 from Venezuela. If it is 500,000, fine.

Mr. HAMILTON. But Venezuela is kicking in some, and Saudi Arabia, and the UAE. They can kick that production in pretty quickly, I presume?

Mr. VERLEGER. Oh, yes. The UAE was overproducing. It was producing almost 2 million barrels a day during the first half of the year. Their overproduction precipitated in part the invasion of Kuwait.

Mr. HAMILTON. Yes.

Mr. LICHTBLAU. I am not sure whether the UAE will cooperate. The UAE is afraid of Iraq. Of course Iraq does not want any of these countries to increase their production. So we cannot be quite sure that the UAE or that Libya—Libya is the one country which has not voted to censure Iraq for the invasion of Kuwait in the Arab League meeting. So we are not sure that it will take action which will actually hurt Iraq.

But even without these two countries, once we have Saudi cooperation and Venezuelan cooperation, we could reduce the gap from 4 million to perhaps 1 to 1.5 million, and that is not unmanageable. But again it may be necessary—and I keep repeating myself—it may be necessary to draw down on a modest scale the Strategic Petroleum Reserve.

It is very important that this gap not be closed entirely by prices, because given the low price elasticity of oil, you need a very sharp price increase to balance supply and demand when you have a couple million barrels a day lost in the world market. So we will

see how much is lost, and then I think it may be necessary to use another supply source which is available for this purpose.

Mr. HAMILTON. We are now dependent upon foreign oil for what percentage?

Mr. LICHTBLAU. About 50 percent. I would like to just say that if we do use the Strategic Petroleum Reserve, there is a nice little fall out for the U.S. Government, because the Government would sell the oil at whatever the price is, \$25 a barrel, a million barrels a day is \$25 million a day. That is not a bad deal.

Mr. HAMILTON. How quickly can we kick that in?

Mr. LICHTBLAU. About 30 days, something like that. From the time the President announces an energy emergency—he will have to announce an energy emergency under existing legislation—it would take about 30 days until the oil is auctioned off and actually begins to be delivered to refiners—perhaps slightly more.

Mr. VERLEGER. Since I have been studying this, they claim they can complete the first-round auction in about 21 days and be delivering oil into barges literally in I think in four weeks—

Mr. LICHTBLAU. That's about 30 days.

Mr. VERLEGER. Thirty days, or a little less, if they have to.

Mr. HAMILTON. What is your impression about how well prepared we are in this country to absorb an increase in the price of oil by reducing our imports of oil?

Mr. VERLEGER. I am not sure I understand your question.

Mr. HAMILTON. Well—

Mr. VERLEGER. Do you mean reports by—

Mr. HAMILTON. I was reading the other day about how Japan has made significant adjustment and they are not as vulnerable as they were a few years ago maybe in 1973 or 1979. I guess I am really asking the question of how vulnerable are we to an increase in the price of oil and a reduction of imports of oil. Those are two separate questions, I guess.

Mr. VERLEGER. I would argue that in our economy, if you look at the statistics, the share of oil in total energy consumption has dropped by about 10 percentage points since 1973.

Mr. HAMILTON. Even though we are importing a lot more oil?

Mr. VERLEGER. Yes.

Mr. LICHTBLAU. Yes.

Mr. VERLEGER. Energy consumption has increased, and domestic production may be a little below where it was in 1973. So consumption has grown. Total consumption, the total economy has grown. Oil grew less rapidly. In part that is because nuclear went from less than 1 percent to about 6 percent over that period of time.

Now we do not have many new nuclear plants, and we may not have any more new nuclear plants coming on stream, so there is going to be some growth. I would say that the U.S. economy itself is still much less vulnerable than the Japanese economy because we produce more than 50 percent of the energy that is consumed here.

If you count coal and nuclear we probably only import a third of our energy. So that in one way we are better off. The Japanese have made a much larger effort to conserve than we have, yes, and we should redouble our efforts.

Mr. LICHTBLAU. However, Japanese oil consumption has started to increase again in the last couple of years. There has been a steady decline in Japanese oil consumption until about 1986-87, but in the last few years every year we have seen about a 3 percent growth rate in Japanese oil consumption which of course meant higher Japanese oil imports since they do not produce any oil domestically. And the new projections show that Japanese oil demand will continue to increase through the 1990s at a modest rate, but it will increase. And since Japan is the second largest importer of oil in the world after the United States, it has an impact on the world supply situation.

Mr. HAMILTON. There was an interesting sentence in the President's speech this morning that stood out to me, among others. He said: "I'm asking the oil companies to do their fair share. They should show restraint and not abuse today's uncertainties to raise prices."

Now is that jawboning? Are we going into a situation now in which the President jawbones the oil companies to keep their prices down?

Mr. LICHTBLAU. Well, it is jawboning. I do not know whether it will work. But of course when he says "uncertainty" and then says "not raise prices," there is somewhat of a contradiction there. It is in times of uncertainty when you see that prices are moving up all around the world that you are likely to raise your prices, reflecting the changed situation.

Mr. HAMILTON. Do you think the President ought to jawbone oil prices, Mr. Popkin?

Mr. POPKIN. Well, I—

Mr. HAMILTON. You do not think it will do much good, Mr. Lichtblau?

Mr. LICHTBLAU. Right.

Mr. HAMILTON. What do you think?

Mr. POPKIN. I think statements like that are probably on balance a good thing to do.

The extent to which they will work is unclear, but again I would think that just to move the political process ahead in the Middle East would be the most urgent thing to do.

Mr. HAMILTON. I have got hundreds of questions, and I am running out of time.

Do you have anything further, Mr. Scheuer?

Mr. SCHEUER. No, Mr. Chairman.

I congratulate you for holding this hearing. It has been truly helpful.

Mr. HAMILTON. Thank you.

Do you have any further statement?

Ms. ROS-LEHTINEN. No.

Mr. HAMILTON. Well, I am always aware of the fact that it is a lot easier to ask these questions than it is to answer them, and you all have done very, very well on a tough subject this morning.

We appreciate very much your appearance here this morning.

Time has run out for me, and we will have to conclude this session. Thank you, very much.

[Whereupon, at 12:13 p.m., the committee was adjourned, subject to the call of the Chair.]

THE PERSIAN GULF CRISIS

Developments in the Middle East

TUESDAY, SEPTEMBER 18, 1990

HOUSE OF REPRESENTATIVES,
COMMITTEE ON FOREIGN AFFAIRS,
SUBCOMMITTEE ON EUROPE AND THE MIDDLE EAST,
Washington, DC.

The subcommittee met, at 2 p.m. in room 2167, Rayburn House Office Building, Hon. Lee H. Hamilton (chairman of the subcommittee) presiding.

Mr. HAMILTON. The meeting will come to order of the subcommittee on Europe and the Middle East. We meet today in open session to review developments in the Middle East, and to examine United States policy.

The main focus of our hearing today will be on the Iraqi invasion of Kuwait August 2 and the aftermath and implications of that invasion.

The subcommittee will want to discuss U.S. policy toward Iraq; U.S. policies and deployments in the Persian Gulf; the current situation in Kuwait and Iraq; the burdensharing support from allies and friends, and the response of the international community to the invasion; views of the crisis in the Middle East; the Soviet views on the crisis and the Soviet role; U.S. assistance, including the proposal to forgive Egypt's FMS debt to the United States; and proposed armed sales to states in the Middle East.

Our witnesses today are the Honorable John H. Kelly, Assistant Secretary of State for Near Eastern and South Asian Affairs and the Honorable Henry S. Rowen, Assistant Secretary of Defense for International Security Affairs.

Members are advised that a resolution introduced yesterday by Congressman Broomfield will be taken up immediately. It commends Cyprus on the 30th anniversary of its independence, and the Chair recognizes the gentleman from Michigan in support of his resolution.

RESOLUTION ON CYPRUS

Mr. BROOMFIELD. Thank you very much, Mr. Chairman. I am very pleased that the subcommittee saw fit to bring this resolution up today. It congratulates the Cypriot President and people on their 30th anniversary of independence of the Republic of Cyprus.

It also urges our Government to continue its support of United Nations peace efforts on that divided island. There will, however,

be little joy as the people of Cyprus mark this anniversary of independence because 1990 also marks the 16th year of foreign occupation on the island of Cyprus.

Since 1974, Cyprus has been cruelly divided. There are 30,000 Turkish troops still occupying half of the island. There are over 200,000 Greek Cypriots who are refugees in their own land, barred from returning to their homes in the North. Thousands of U.N. troops are still encamped along the greenline which still separates the Greek and Turkish communities.

The Iraqi invasion of Kuwait and the Turkish invasion of Northern Cyprus have something in common. Both Kuwait and Cyprus are sovereign states and both were attacked by nearby outside powers. Both problems involve violation of international law that could lead to further instability and tension in the respective regions, and both are tragedies that demand just and fair resolution.

In defiance of U.N. resolutions, Ankara still occupies the northern part of Cyprus. The leader of the Turkish Cypriot community continues to reject U.N. offers to restart the stalled intercommunal talks.

Turkey's European neighbors call it the only European nation that is an occupying power. I truly commend Turkey, for its support in current the Persian Gulf crisis. But I call upon the Turkish government to show the world that they support justice not only in the Gulf, but also in the Eastern Mediterranean.

Mr. Chairman, I hope by the time another anniversary rolls around for the Republic of Cyprus, we will have witnessed a good-faith effort by all parties to resolve this tragic stalemate.

I thank the gentleman very much.

Mr. HAMILTON. Thank you very much, Mr. Broomfield. That resolution was also introduced by Mr. Yatron, is that not correct?

Mr. BROOMFIELD. Yes, it is.

Mr. HAMILTON. Are there other statements with regard to the resolution?

If not, the Chair will put the question. All in favor of the resolution and reporting it to the full committee will say aye.

[Chorus of ayes.]

Mr. HAMILTON. Those opposed, no. The ayes have it and the resolution is passed.¹

Mr. HAMILTON. The Chair will entertain opening statements at this time among any members that would like to give such a statement.

Mr. Lantos and Mr. Levine. Mr. Lantos.

UNITED STATES POLICY TOWARD IRAQ

Mr. LANTOS. Thank you, Mr. Chairman. Just a few observations before we hear from our distinguished witnesses.

As you know, Mr. Chairman, I have been strongly supporting the President's action since the invasion of Kuwait by Iraq because the President's action and statements represent an almost 180 degree change from the policy pursued by the Department of State in the period prior to the invasion.

¹ See Appendix 2.

As you know, Mr. Chairman, we had a number of public hearings in this subcommittee during the course of which many of us took sharp issue with the State Department's analysis and appraisal of both the intentions and the actions of Saddam Hussein.

As a matter of fact, the opposition of some of us to the administration's policy with respect to Iraq goes back a long way. It was in the summer of 1981 when Israel took out Iraq's nuclear capability at Osirak with a surgical strike, an action the administration strongly criticized. Some of us made powerful and strong statements on the floor commending the Israelis for their action which postponed the attainment of a nuclear capability by Iraq. Had they not taken that action, our troops today in Saudi Arabia would be facing a nuclear equipped Saddam Hussein.

Some of us called for sanctions against Iraq time and time again. At the time, Saddam Hussein killed his own people at the City of Halabja. Pictures of this were spread on the front pages of newspapers and news magazines around the world.

The administration fought the sanctions we were proposing against Iraq. At the time, Saddam Hussein threatened to kill half the people of Israel. There was very little recognition that we were dealing with a bloodthirsty and aggressive dictator who would stop short of no means to achieve his ambitions of dominance in the region.

This is clearly not the time to hold a post-mortem. There will be time enough for that, Mr. Chairman. I would like to request at this time that two excellent pieces from yesterday's Washington Post, one by our former ambassador, Jeanne Kirkpatrick entitled, "The State Department's Weakness for Arab Strongmen", and the other by journalist Jim Hoagland, "Tale of a Transcript", be inserted at this point in the record.

Mr. HAMILTON. Without objection, so ordered.¹

ARMS SALES TO SAUDI ARABIA

Mr. LANTOS. Mr. Chairman, I also would like to address at least some opening comments to this gigantic proposed transfer of military equipment of the highest sophistication to Saudi Arabia.

I strongly support and will vote for all necessary transfer of equipment which will help the Saudis and others in the present crisis. But for the life of me, I cannot understand why such a gigantic military transfer, which will have ramifications for decades to come, has to be handled in the waning weeks of a Congressional session, when we are preoccupied with the budget summit, a series of major pieces of legislation, and the Congress is scheduled to leave for October 5 to participate in the upcoming elections.

It's my judgment, Mr. Chairman, that the administration would be well advised to separate the military proposal into two parts: First, items immediately required for our joint military needs. I am sure the Congress will act expeditiously and with a tremendous degree of anonymity on approving those issues. Second, we should consider in a more deliberate and thoughtful way proposals for

¹ See Appendix 3.

military equipment that will require a much longer time to produce and deliver to the Middle East.

To force a debate on this second category in this singularly inhospitable climate to thoughtful and reasoned analysis on the transfer of the world's most sophisticated weapons to a palpably weak regime, boggles the mind.

I will ask the Secretary how much of our highly sophisticated weapons we transferred to Kuwait are now in the hands of Saddam Hussein whose troops are presumably being trained to use these American weapons against American soldiers.

Does anyone seriously believe that after 800 years when the House of Hapsburg fell and the House of Romanoff fell, the House of Saud will be here forever?

I think it is important to realize that we cannot use the pressure of this crisis to sneak through a \$25 billion military transfer, because the long-term negative ramifications for U.S. interests would be mind boggling.

NON-DEMOCRATIC STATES

Finally, Mr. Chairman, concluding this opening observation, I would like to offer a word of caution concerning the attempt in some circles to paint some of our newly acquired colleagues in this military effort in a more democratic light than facts warrant.

I have been around long enough to recognize the need for democratic societies to make temporary alliances with unsavory regimes for immediate military advantage. That clearly was the basis for our partnership with Stalin's Soviet Union during the Second World War, but I particularly caution the State Department not to portray President Assad of Syria and the Syrian regime as an ally.

That regime, in terms of its recent history, is no less bloodthirsty, no less brutal in exterminating its own people as they did in the City of Hamas to the tune of 12,000 civilians, as is the bloodthirsty regime of Saddam Hussein.

So while I think we should welcome Syrian participation in this joint effort, it is important not to portray regimes which are totalitarian, which stand for everything we oppose, as allies in an effort with an ideological component.

Thank you, Mr. Chairman.

Mr. HAMILTON. Thank you, Mr. Lantos. Mr. Levine.

PRAISE FOR PRESIDENT

Mr. LEVINE. Thank you, Mr. Chairman. I want to begin by commending Mr. Lantos on a superb statement and associating myself with his remarks. Much of what he said I think is very important and is along the lines of what I wish to say, Mr. Secretary, in my opening remarks as well.

Let me begin, Mr. Secretary, by emphasizing that I want to commend the President and the administration on its policy since Iraq invaded Kuwait. The President has ably led, I think, both the international community and our own country in a solid response that should give Saddam Hussein an absolutely clear and unequivocal message that the international community will not

accept the naked aggression that Saddam Hussein perpetrated upon Kuwait.

Mr. Secretary, it is ironic, I must admit, to see you here this afternoon presumably to explain the importance of containing Iraq. It is regrettable that you didn't bring this message when you testified in April, and even more disturbingly, in your appearance just two days before the invasion when the State Department and the administration was continuing, through you, to argue that Saddam Hussein could be a positive force in the region.

I believe it is fair to say that the administration's policy toward Iraq caught up with reality the day Iraq invaded Kuwait. Until then, as Mr. Lantos has already indicated, it was a policy premised on fiction and fantasy—the fiction that Iraq could be a positive force in the region, as you testified, and the fantasy that Saddam Hussein was a man that we could deal with, which the administration consistently repeated.

That policy, as I believe, has been acknowledged now, as an abysmal failure. It was a two year effort to make Saddam into something he never was, nor intended to be, a moderate leader of the country of Iraq.

As the President acknowledged yesterday, Mr. Secretary, the administration was wrong, and I commend the President for having acknowledged this.

Frankly, Mr. Secretary, you were wrong also, in your repeated testimony before this subcommittee and the full committee.

I agree with Mr. Lantos that this is not the time for post-mortems. There will be plenty of time for that. But the reason I believe it is extremely important to mention that at the outset of this hearing is that we continue to be involved in a policy involving some of the most important and fundamental decisions that America will make with regard to the most volatile area on the face of the globe. This region is now much more precarious and much more dangerous than it was several months ago.

And it is my very earnest hope that the analysis that comes out of the State Department will be considerably more hard-headed than the analysis that came out of the State Department and the rest of the administration since January of 1989.

QUESTIONS ABOUT POLICY

There are some fundamental questions that need to be answered in terms of the policy formulations that will be occurring over the course of this crisis. What lenses are we looking through? How are we viewing the leaders in this region? Do we believe that an enemy of my enemy is by definition, my friend, as we seemed to believe persistently and unrealistically with regard to Saddam Hussein. Over the course of the past two years, many of us in the Congress were urging you and the administration, Mr. Secretary, to join us in sanctioning Saddam Hussein for the wreckage that he was causing both in his own country and around his own country.

Until the day before the invasion when your Department came down and testified against the Berman Bill to sanction Saddam Hussein, until the day before the invasion, this Administration per-

sisted in suggesting that Saddam Hussein was a man we could deal with.

Through what lenses are we now looking at Mr. Assad, and are we remembering the extraordinarily critical role that Israel has consistently played as our most reliable ally in the region? How are we responding to the threats that Saddam Hussein presents to Israel, a country which could suffer very significant civilian casualties if Saddam Hussein's threats of April the 3rd are carried out, to which thus far we have not yet responded, in my view, satisfactorily.

ARMS SALES

I also, Mr. Secretary, want to comment on the proposed \$20 to \$24 billion arms sale to Saudi Arabia.

Mr. Secretary, let me be blunt about that. Both its magnitude and its premises are outrageous. Let me say and let me emphasize that Saudi conduct thus far during this crisis has been exemplary.

No one, I believe, will dispute that Saudi Arabia has legitimate defense needs and we support those in the Congress I think unanimously. This is why the United States has sold over \$30 billion worth of military goods and services to the Saudis over the past decade.

Were this a sale designed to meet the legitimate defense needs of either U.S. troops in the Gulf or of Saudi Arabia itself, as the emergency transfer that was suggested several weeks ago appeared to be, then I don't believe you would be getting the kind of reaction that you're getting from myself and from others.

We would support that. We supported the emergency sale that was necessary to assist American troops in the region. And of course, we would strongly continue to support anything that is necessary to support this operation and to support American boys in the region, and to support the legitimate defense needs of Saudi Arabia.

However, this latest proposal seems to have either little or nothing to do with anyone's legitimate defense needs. Instead, it seems to be the result of the administration's desire to rush as much weaponry through Congress as this current crisis will allow.

To fulfill, as one U.S. official has said, the Saudi wish list without any serious thought being given to the ramifications and the long-term implications in this very volatile region.

This belief is further borne out by the procedural circumstances in which this proposed arms sale has arisen. The administration has abandoned thus far, and I hope this will be reconsidered, both the traditional 20 day pre-notification period and any pretense of consultation with Congress until this morning.

The administration has totally failed to answer some of the fundamental questions surrounding this sale which should have been answered long before this time, such as the threat they are designed to meet, and the timetable for delivery.

How are weapons that can't be delivered for two or three years going to provide any assistance with regard to this crisis? The Saudi ability to absorb, maintain and especially defend this equipment with the Iraqis on their doorstep is questionable. What will

be the affect on the regional arms race, and perhaps most importantly, the affect on Israel's qualitative military superiority.

IMPACT ON ISRAEL

On this last point, Mr. Secretary, the proposed sale will simply erase that edge. Defense Minister Arens indicated this point when he was here yesterday.

Mr. Secretary, will the administration live up to the longstanding commitment reiterated by Secretary Baker two weeks ago before the full Committee and reinforced yesterday by Secretary Cheney, to maintain Israel's qualitative military edge?

Initial administration responses frankly have not been encouraging. It is extremely important that we have more than rhetoric on this issue, that we have the demonstration that this, in fact, is continued administration policy and that it will be implemented.

Mr. Chairman, this sale raises serious questions about U.S. arms transfer policy in the Middle East. It unquestionably alters the military balance in the region and appears to have been approved with only the slightest attempt to justify it from either a policy or a strategic standpoint.

At the very least, therefore, I hope the administration postpones its consideration until both a thorough consultation with Congress is undertaken and these basic questions are answered. I also believe the minimum the administration can do is separate this package into, on the one hand, those limited items which have already been suggested that are relevant to this crisis and the bundle of items that goes well beyond this crisis.

Thank you, Mr. Chairman, for your time. I am looking forward to hearing from the Secretary.

Mr. HAMILTON. Thank you, Mr. Levine. Mr. Smith.

POLICY IN THE PAST

Mr. SMITH of Florida. Thank you, Mr. Chairman. Well, you've gotten the tour d'force already, Mr. Kelly, and you haven't even started yet. We appreciate having you here today.

I must say that I would be lagging behind the curve if I didn't subscribe to comments made by the gentleman from California on my left, and the gentleman on my right.

You and I and others on this committee have gone around this bush before, no pun intended. The reality is that there is a significant, I believe, lack of judgment that has been pervasive throughout the policy decisions which have been made on these issues over the last few months.

I am not going to go through the post-mortem now or tell you all the things I think you did wrong. You've heard some of them. But I will tell you, at the very least, why I'm saddened by some of what has transpired.

I too support what the President is attempting to do and the precise way he is attempting to handle it. His actions have been reasoned and logical, including the repudiation, I might add, of the general head of the Air Force yesterday.

I am terribly distressed by the problem of the hostages. I still continue to believe that had we sent the appropriate signals, we

wouldn't have American hostages being held, upwards of 2,000 of them, in Kuwait, even though slowly but surely some of them are being "allowed" to leave.

We have a major problem there, and the position we find ourselves in is this: We have upwards of 100,000 American men and women, huge numbers of tanks, planes, ships, material, ammunition and other items, which we have enunciated will not be used unless Saddam Hussein attacks the Saudi Arabian oil fields.

We have not enunciated that we will use them for the purpose of rescuing Americans.

We have enunciated that we will defend the oil merchants, but we have not enunciated we will defend Americans.

ARMS SALES

We have said that we will sell and have, on an emergency basis, billions of dollars worth of arms. We are now about to propose \$20 billion or more, the largest arms sale in history, bigger than lend lease, so that the defense contractors can make some money, but we haven't said we will protect Americans.

We have spent an enormous amount of taxpayers money, and there is going to be a supplemental for Desert Shield coming to the Congress to help pay for it, but we haven't said we're going to spend a penny to protect or to retrieve the hostages that are currently held by this ruthless maniac.

I find that to be very frustrating.

Somehow there could have been, should have been, and should be now a policy that will allow us to reclaim people who should never have become hostages in the first place, as a part of our overall policy, but there isn't at the moment.

And finally, let me just say that it seems to be very difficult for members of Congress—certainly this member—to continue to see what I consider to be the snub handed to our most important ally in that region. The Secretary of State goes everywhere in the region, and has yet, in his life, set foot in Israel.

How in heaven's name can you make policy in that region which includes the significant necessary incident of Israel as an ally without ever having been there, without ever having decided that you would see for yourself exactly what it is that makes Israel so important to the United States.

I do not understand that at all. It is as if he scrupulously avoids any contact. He will go to Syria with no problem at all. We run the danger, Mr. Secretary, Mr. Ambassador, of having a policy that seems to be built on shifting sand with very little credibility. If we are willing to jump into bed with someone who yesterday we wouldn't even have entertained a dance with, then we are going to be in dire straits when it comes to convincing our allies that we have a long-term strategic, fundamentally sound policy.

I am very, very, very frustrated by this approach, not withstanding the fact that most of the members of Congress, including myself and most Americans, support the principles on which we have decided to enter this region with all these troops and all of this military might.

And it is something I think we ought to examine very closely.

WHY SALES AT END OF SESSION

Mr. Chairman, I appreciate the time. I just want to close by saying that Mr. Ambassador, we are currently, some of us anyway, somewhat non-plussed by the desire to in the last approximately 20 to 30 days of this Congress, have the administration bring in the biggest military sale in the history of the world, having already given Saudi Arabia last year \$2.2 billion, earlier this year, \$4.4 billion, and just recently, a few billion dollars worth of emergency arms, taken out of our stocks, not for future delivery, but right now.

What is the need for this sale without a reasoned, cautioned, logical, rational and I might say strategically well-developed plan for these weapons? There is no emergency when it comes to weapons that will be delivered in four or five years, as has been said.

I do not understand how you would not allow this kind of sale to be examined in the light of day, rather than in the light generated by the heat of the crisis.

It may be that these weapons are ultimately necessary, this may be, and perhaps you can make the case. But I think you even owe it to the Saudis, let alone to the other countries in the region, which will be unbelievably affected by this enormously overpowering array of weaponry distributed to a small country, to discuss this in long-term strategic terms rather than in the next few days, compacted in an end of session rush that frankly may not even allow us the full 30 days.

I just find that very, very disappointing, and wrong-headed and I would hope, as my other colleagues have indicated, the administration would think better of sending that kind of sale up here under these circumstances.

Thank you, Mr. Chairman.

Mr. HAMILTON. Thank you, Mr. Smith. Mr. Leach.

COMMENTS ON PREVIOUS STATEMENTS

Mr. LEACH. Thank you, Mr. Chairman. I hadn't intended to make an opening statement, but on behalf of the minority, there are several comments that should be made.

First, it is very difficult not to fully and thoroughly agree with many of the premises of the three previous speakers, but some of the implications and some of the conclusions I think reasonable people do have some right to differ a bit with.

The implication that the Secretary of State of the United States of America should be traveling today to Israel instead of Syria, I think would be a massive mistake.

On the one hand, all of us differ dramatically with the recent policies of the Syrian Government. On the other hand, we are very appreciative that Syria is now—and yes, I will use the word—an ally of the United States against the invasion by Iraq against Kuwait, and that is something I am sure everybody in this Congress shares.

Secondly, there is a T-shirt that I saw the other day on a jogger that I was rather impressed with. As you know, philosophical maxims are now the order of the day on T-shirts, and this maxim read "the future is not what it used to be."

Well, likewise, the past is not exactly what it seemed at the time, and I would stress to this committee that I share the view of the gentleman from California that the United States Department of State was not hard-headed enough toward Iraq.

But I also share the perspective of many that perhaps this Congress hasn't been as totally hard-headed about all the issues in the Middle East as I think it frankly should be.

ISSUE DOES NOT INVOLVE ISRAEL

Just as all issues in the world were not U.S./Soviet superpower rivalry in nature, all issues in the Middle East have not directly involved the State of Israel. The fact of the matter is that some issues in the Middle East have very little to do with Israel, although paradoxically, virtually all of the issues have an Israeli component.

But I am personally convinced that with or without the existence of the State of Israel, Iraq would have attacked Kuwait, and it is only using the Israeli component as a very irrational pretext for attempting to get some sort of support or solidarity for its policies amongst some of the disadvantaged parties in the region.

Well, the reason I raise this is that in terms of hard-headedness, Saudi Arabia has a national security concern that has nothing to do with Israel. Now, that doesn't mean that from an Israeli perspective, there aren't implications for Israel, but the equipment that is being used today and that has been used in the past has been equipment used in Saudi national interests, generally speaking, in consonance with the United States national interest.

It is Saudi Arabia that we are in alliance with in a very important way today as we attempt to counter Iraqi aggression.

ARMS SALE TO SAUDI ARABIA

Let me also stress here that the provision of the equipment to Saudi Arabia is designed to make Saudi Arabia better able to defend itself in such a way that American lives will be less vulnerable in terms of future involvements.

This is a very important premise that this committee must understand.

Let me also say that what's at issue here is not the capacity of the United States Congress to determine how much military equipment Saudi Arabia buys, although it is the capacity of the United States Congress to determine how much they buy from the United States.

The point I make here is, as has been pointed out to members of this committee, that every time this Congress has turned down any deals with Saudi Arabia, the Saudis have gone elsewhere and bought not comparable but better equipment of double the magnitude than they bought from the United States of America, with less control than the United States of America applies.

My own personal sense is, if you look at this particular circumstance, the Saudis are intending to buy 10,000 trucks. How many members of the majority party in this Congress want 5,000 of those trucks to be Citron? Want 5,000 of those trucks to be Honda? I want them to be General Motors, Ford, Chrysler.

I would also say to this committee, I think that the Saudi intention of buying, as I think properly has been raised by the majority, the largest order, although theoretically not including inflation, but in terms of non-real dollars, the largest order in the history of the world, including lend lease, is too much.

But that's not a decision we have the capacity to make. What we do have the capacity to make is the decision of whether the Saudis are going to buy American, or whether whatever Saudi decisions are to buy, the United States Congress is going to run up the banner of buy French, buy Japanese, buy British, and yes—and I think this committee ought to understand—the Saudis now have diplomatic relations with the Soviet Union—buy Russian.

I would say to this committee that I think the Saudi Government is perhaps overreacting in terms of size, but I would be hard-pressed to say if I were in their circumstance and having the capacity that they have, that a very substantial reaction wasn't in order. But I want to make it very clear that they are coming to the United States because the United States has made it very clear that we're there when they need us.

This member of Congress is appreciative, at a minimum, that the Saudi Arabian Government is saying we want to buy American, and I would be awfully hard-pressed to say that this Congress says Americans don't want your business.

Mr. LEVINE. Will the gentleman yield?

Mr. LEACH. Yes, sir.

ISRAEL NOT RELATED TO IRAQI ACTION

Mr. LEVINE. I appreciate the gentleman's yielding. I want to make just a couple of brief comments. I want to begin them simply by saying, as the gentleman knows, that I don't think there's a member of this House for whom I have higher regard than the gentleman from Iowa.

I think that he made one extremely important comment that needs to be underscored.

Mr. LEACH. Surely.

Mr. LEVINE. I certainly don't think any of us intended to say anything to the contrary, that Iraq would have invaded Kuwait whether Israel were in the region or not.

Mr. LEACH. That's true.

Mr. LEVINE. I think that is one of the most important lessons of this crisis, that there is naked aggression in the Middle East that has nothing whatsoever to do with Israel. It is Arab on Arab aggression. The Iraqi invasion of Kuwait clearly had nothing whatsoever to do with Israel's existence.

That having been said, I would just like to make two brief points that I hope the gentleman will agree with.

VULNERABILITY OF ISRAEL

One is that does not mean that Israel, and I don't think the gentleman meant to suggest this, does not have a stake or a vulnerability in all of this, particularly in light of the fact that Saddam Hussein has made it very clear that if fighting breaks out, he intends for some of that fighting to be on Israeli soil.

Even though Saddam Hussein clearly would have invaded Kuwait whether Israel was there or not, the Israelis perhaps are as vulnerable, if not more vulnerable, considering Iraq's chemical weapons capability, as any other nation in that region. That is something that needs to be factored into the planning and the thinking.

In terms of the Saudi arms sale, what the three of us were saying was at least this debate ought to be out there in the open. The points the gentleman is making are extremely important points—I agree with some, I disagree with some.

Nobody is suggesting that legitimate Saudi defense needs shouldn't be met. We all want to meet them. The administration, by reaching into a \$24 billion sale, got to such a point when they finally found a sale that people wouldn't roll over for.

If they were a little bit more modest, they wouldn't have gotten a peep out of anybody up here, but they threw in the entire kitchen sink and got our attention. But at least that ought to be debated, rather than rushed through under the fig leaf of the crisis with no pre-notification and without having consultation or meaningful debate in the Congress.

Those were among the points, and I hope the gentleman will agree with them, that we were trying to put on the table.

Mr. LEACH. I appreciate the gentleman's comments and I certainly strongly concur in his statement about Israeli vulnerability. But as you know, and we have worked very hard to make this clear, this is an issue between Iraq and the world. In that equation, I don't think we should be so naive but to understand that Saudi Arabia is opposed to Iraq, and that any party that is opposed to Iraq should be pleased with that particular circumstance.

I don't even want to mention the countries that are opposed. I think it would be very, very wrong to follow the implication of the gentleman from Florida, that the United States ought to be stressing the Israeli dimension to this circumstance because of the fact this is brutal aggression that has nothing to do with Israel, in the first instance.

Although Israeli security is tied up with any change of events in the Middle East; again, let me stress that Iraqi control of Kuwait would be devastating to Israeli national security, as well as it is to the economic independence of the West, as well as it is to the independence of all states in the region.

That is one of the reasons that this member is very concerned that those states that are willing to stand up to the countries that want to violently destabilize the region would reflect a given irony that this Congress would be objecting to that kind of enhancement of regional stability and American national security.

Mr. SMITH of Florida. Would the gentleman yield?

Mr. LEACH. Yes.

ARMS SALES HAVE LONG-TERM EFFECT

Mr. SMITH of Florida. I appreciate that. I certainly don't want to prolong this, but let me just remind the gentleman, as the gentleman knows, these weapons will remain long after all of these alli-

ances for this crisis purpose have been shattered, as has been the historical reality in that region for hundreds of years.

Shifting sand and policy is nothing new in that region, and the problem is that like Kuwait, the possibility exists that all these weapons that we have sold will someday be in someone else's hands, and their life span is very likely to be well longer than any alliances made today that may be broken tomorrow.

Mr. LEACH. Mr. Chairman, I would like to yield back the balance of the time, but let me do briefly respond by saying to the gentleman from Florida, I think he is profoundly correct in that observation, but as Saudi officials have told members of this committee, one aspect of at least American arms sales to Saudi Arabia, is a clear understanding on the Saudi behalf that there are certain implicit and explicit controls that do not exist with arms that would be sold from other countries in the world.

Again, the only thing I would stress as a member of this committee is we do not control the decision that the sovereign state of Saudi Arabia will be making regarding how much they are going to buy in this current circumstance. We only control whether we want them to buy virtually all American, or whether this Congress is going to direct them to other countries in the world.

Mr. HAMILTON. Thank you very much, Mr. Leach. Are there other statements by members of the subcommittee?

If not, we will begin the testimony. Gentlemen, we are very pleased to have you today. You have prepared statements. Those prepared statements, of course, will be entered into the record in full without objection.

You may proceed to summarize those statements.

Secretary Kelly, you may proceed.

STATEMENT OF JOHN H. KELLY, ASSISTANT SECRETARY, NEAR EASTERN AND SOUTH ASIAN AFFAIRS, DEPARTMENT OF STATE

Mr. KELLY. Thank you, Mr. Chairman. I am pleased to appear again before the committee.

Between September 5th and the 16th, I accompanied Secretary Baker on a visit to eight countries in the Middle East and Europe. I want to tell you at the outset that in every country we visited, American leadership was acknowledged, appreciated, and recognized as essential for resolution of the Gulf Crisis.

There is gratitude for the American military presence on the Arabian Peninsula. There is recognition of the sacrifices being made by the men and women of the American armed forces.

There is solidarity that Iraqi aggression must not stand and there is willingness to share the responsibilities for implementation of the United Nations Security Council resolutions.

Politically, this was acknowledged in Arab capitals, by NATO and the European community, and in the joint statement issued by Presidents Bush and Gorbachev in Helsinki.

Militarily, this is recognized by the decisions of many nations to contribute forces to the effort in the Gulf. Economically, the shared responsibility is manifested by pledges of up to \$20 billion to help share the costs of American defense contribution and to cushion

the economic shock for those countries hurt most by Iraqi aggression.

SITUATION AFTER SEVEN WEEKS

Today, seven weeks after the invasion of Kuwait, Iraqi occupation forces remain dug in throughout that country, and continue to threaten the security of Saudi Arabia and neighboring states.

Iraq continues to hold hostage hundreds of thousands of foreign nationals, including about 1,440 Americans. Many U.S. citizens have been incarcerated to be used as human shields at Iraqi military and industrial facilities.

Since Iraq's invasion of Kuwait, the civilized world has spoken with a nearly unanimous voice in its determination that Iraqi aggression must be contained and reversed.

As President Bush said September 11th in his address to a joint session of this Congress, this will require patience and strong will.

I last appeared before this subcommittee on July 31st, at a time when Iraqi threats and intimidation had raised tensions in the region to very high levels. I said then that administration policy was to do all we can to support our friends when they are threatened and to preserve stability in the area.

Two days later, the Iraqi Government demonstrated the depths of its irresponsibility and its contempt for civilized standards.

In the weeks since then, the world has mobilized to reverse Iraq's aggression. The United States has carried out a massive military deployment of personnel and material to the Gulf region.

INTERNATIONAL RESPONSE

We have been joined in our military efforts by many other states. Today, over 20 nations have responded to requests from Saudi Arabia and Kuwait for assistance to deter further Iraqi acts of aggression by contributing ground, air, or maritime forces.

We also have been active on the diplomatic front as we have molded an international consensus to deter further Iraqi aggression. We have met with an exceptionally high degree of international cooperation in this effort.

The United Nations Security Council has passed seven resolutions on the Gulf crisis. Three meetings of the Arab League have produced strong condemnation of Iraqi behavior.

At least 98 countries have announced publicly that they support U.N. Security Council Resolution 661 establishing mandatory sanctions against Iraq and have taken, or will take steps to implement that resolution.

A number of nations are providing financial and economic support to those states enduring particularly economic sacrifices due to their adherence to the sanctions.

The OPEC nations such as Saudi Arabia, the United Arab Emirates, and Venezuela have agreed to increase production to offset the loss of Iraqi and Kuwaiti oil exports.

Iraq today stands as an international pariah, an outlaw isolated from the Arab League majority and condemned by the international community. The Iraqi economy is feeling the bite of sanctions.

That bite will become more painful in the weeks and months ahead. Iraq loses approximately 2.7 million barrels a day in lost oil exports or more than \$2.4 billion per month from its inability to sell Iraqi oil on the international market.

U.S. POSITION

The President has clearly defined our objectives: The immediate, complete and unconditional withdrawal of all Iraqi forces from Kuwait; the restoration of Kuwait's legitimate government; the security and stability of the Gulf region; and the protection of the lives of American and other foreign citizens held hostage by Iraq.

We have wide international support for this position. When I accompanied the Secretary on his recent trip, I heard Arab and European leaders agree strongly with this determination.

We must assure that the military and economic burden of deterring aggression while the sanctions take effect are shared equitably. As the President said on August 30th, it is important that the considerable burden of the effort be shared by those being defended, and those who benefit from the free flow of oil.

We must also assure that those states, such as Egypt and Turkey, whose economies have been hit particularly hard by adherence to the sanctions are given the financial assistance necessary.

JORDAN

Jordan's economy stands to lose proportionately more than any other nation as a result of strict adherence to U.N. Security Council Resolution 661.

For this reason, we have worked bilaterally during the Baker and Brady missions and at the U.N. to generate support for Jordan, providing that Jordan vigorously enforces sanctions. Indications are that Jordan is applying sanctions; there has been improvement.

However, on the political level, Jordan's performance still presents difficulties. We are shocked by the rally of radical Arab forces held this weekend in Amman and particularly by the harsh anti-American tone. That Jordan lends its name to an event of this sort is frankly disappointing.

We find it hard to understand why some of the same forces who were driven out of Jordan in 1970 because they undermined Jordanian stability are today assembling in Amman to declare their support for Saddam Hussein.

The Jordanian Government has informed us that it opposes Iraqi acquisition of territories by force in Kuwait; we would hope that it would look for ways to strengthen that opposition.

HOSTAGES HELD BY IRAQ

Mr. Chairman, Iraq continues to hold about 1,400 American citizens hostage, as well as hundreds of thousands of other foreigners.

About three weeks ago, I was at Andrews Air Force Base to meet the first plane bringing home women and children from our Embassy in Kuwait. I saw families who had displayed great courage, but who also remained full of anxiety for relatives left behind.

These feelings are shared by thousands of families across the United States and the world who have relatives still trapped in Iraq and Kuwait.

The United States Embassy in Kuwait remains open, and our flag still flies, to demonstrate the commitment of American Government and people to do all we can to protect our fellow citizens and secure their safe return home.

The men and women serving at our Embassy in Kuwait and our Embassy in Baghdad have been an inspiration to us all. They have displayed courage and resilience under some of the most trying conditions imaginable. I know that all members of the committee join me in saluting the performance of our fellow Americans who remain in Baghdad and Kuwait.

In conclusion, Mr. Chairman, the international reaction to the Iraqi invasion of Kuwait is truly unprecedented. The United States and the Soviet Union, emerging from the cold war, have taken a common stand.

The Arab League majority, the majority of the Organization of the Islamic Conference, the European Community, NATO, the Organization of American States, the Organization of African Unity, and members of the Association of South East Asian Nations have all spoken out forcefully against Iraqi aggression.

This is truly international cohesion—and this cohesion exists because the cause is just. The United States is leading, but the United States is not alone. The United Nations Security Council has voted seven resolutions.

On the issue of Iraqi aggression, there is no east and west, there is no north and south. There is unity that echoes President Bush's statement Iraqi aggression will not stand.

Thank you, Mr. Chairman.

[The prepared statement of Mr. Kelly follows:]

ASSISTANT SECRETARY JOHN H. KELLY

I AM PLEASED TO APPEAR BEFORE THE SUBCOMMITTEE.

BETWEEN SEPTEMBER 5 AND 17, I ACCOMPANIED SECRETARY BAKER ON A VISIT TO EIGHT COUNTRIES IN THE MIDDLE EAST AND EUROPE. I WANT TO TELL YOU AT THE OUTSET THAT IN EVERY COUNTRY WE VISITED, AMERICAN LEADERSHIP WAS ACKNOWLEDGED, APPRECIATED, AND RECOGNIZED AS ESSENTIAL FOR RESOLUTION OF THE GULF CRISIS.

THERE IS GRATITUDE FOR THE AMERICAN MILITARY PRESENCE ON THE ARABIAN PENINSULA. THERE IS RECOGNITION OF THE SACRIFICES BEING MADE BY THE MEN AND WOMEN OF THE AMERICAN ARMED FORCES. THERE IS SOLIDARITY THAT IRAQI AGGRESSION MUST NOT STAND AND THERE IS WILLINGNESS TO SHARE THE RESPONSIBILITIES FOR IMPLEMENTATION OF THE UNITED NATIONS SECURITY COUNCIL RESOLUTIONS.

POLITICALLY THIS WAS ACKNOWLEDGED IN ARAB CAPITALS, BY NATO AND THE EUROPEAN COMMUNITY, AND IN THE JOINT STATEMENT ISSUED BY PRESIDENTS BUSH AND GORBACHEV IN HELSINKI. MILITARILY THIS IS RECOGNIZED BY THE DECISIONS OF MANY NATIONS TO CONTRIBUTE FORCES TO THE EFFORT IN THE GULF. ECONOMICALLY THE SHARED RESPONSIBILITY IS MANIFESTED BY PLEDGES OF UP TO TWENTY BILLION DOLLARS TO HELP SHARE THE COSTS OF THE AMERICAN DEFENSE CONTRIBUTION AND TO CUSHION THE ECONOMIC SHOCK FOR THOSE COUNTRIES HURT MOST BY IRAQI AGGRESSION.

TODAY, SEVEN WEEKS AFTER THE INVASION OF KUWAIT, IRAQI OCCUPATION FORCES REMAIN DUG IN THROUGHOUT THAT COUNTRY, AND CONTINUE TO THREATEN THE SECURITY OF SAUDI ARABIA AND NEIGHBORING STATES. IRAQ CONTINUES TO HOLD HOSTAGE HUNDREDS OF THOUSANDS OF FOREIGN NATIONALS, INCLUDING ABOUT 1,440 AMERICANS. MANY U.S. CITIZENS HAVE BEEN INCARCERATED TO BE USED AS HUMAN SHIELDS AT IRAQI MILITARY AND INDUSTRIAL FACILITIES.

SINCE IRAQ'S INVASION OF KUWAIT, THE CIVILIZED WORLD HAS SPOKEN WITH A NEARLY UNANIMOUS VOICE IN ITS DETERMINATION THAT IRAQI AGGRESSION MUST BE CONTAINED AND REVERSED. AS PRESIDENT BUSH SAID SEPTEMBER 11 IN HIS ADDRESS TO A JOINT SESSION OF CONGRESS, THIS WILL REQUIRE PATIENCE AND STRONG WILL.

I LAST APPEARED BEFORE THIS SUBCOMMITTEE ON JULY 31, AT A TIME WHEN IRAQI THREATS AND INTIMIDATION HAD RAISED TENSIONS IN THE REGION TO VERY HIGH LEVELS. I SAID THEN THAT ADMINISTRATION POLICY WAS "TO DO ALL WE CAN TO SUPPORT OUR FRIENDS WHEN THEY ARE THREATENED AND TO PRESERVE STABILITY" IN THE AREA.

TWO DAYS LATER, THE IRAQI GOVERNMENT DEMONSTRATED THE DEPTHS OF ITS IRRESPONSIBILITY AND ITS CONTEMPT FOR CIVILIZED STANDARDS OF BEHAVIOR BY CARRYING OUT AN UNPROVOKED ACT OF AGGRESSION AGAINST KUWAIT.

IN THE WEEKS SINCE THEN, THE WORLD HAS MOBILIZED TO REVERSE IRAQ'S AGGRESSION. THE UNITED STATES HAS CARRIED OUT A MASSIVE MILITARY DEPLOYMENT OF PERSONNEL AND MATERIAL TO THE GULF REGION. WE HAVE BEEN JOINED IN OUR MILITARY EFFORTS BY MANY OTHER STATES. TODAY, OVER TWENTY NATIONS HAVE RESPONDED TO REQUESTS FROM SAUDI ARABIA AND KUWAIT FOR ASSISTANCE TO DETER FURTHER IRAQI ACTS OF AGGRESSION BY CONTRIBUTING GROUND, AIR, OR MARITIME FORCES.

WE ALSO HAVE BEEN ACTIVE ON THE DIPLOMATIC FRONT AS WE HAVE MOLDED AN INTERNATIONAL CONSENSUS TO DETER FURTHER IRAQI AGGRESSION. WE HAVE MET WITH AN EXCEPTIONALLY HIGH DEGREE OF INTERNATIONAL COOPERATION IN THIS EFFORT. THE UNITED NATIONS SECURITY COUNCIL HAS PASSED SEVEN RESOLUTIONS ON THE GULF CRISIS. THREE MEETINGS OF THE ARAB LEAGUE HAVE PRODUCED STRONG CONDEMNATION OF IRAQI BEHAVIOR. AT LEAST 98 COUNTRIES HAVE ANNOUNCED PUBLICLY THAT THEY SUPPORT UN SECURITY COUNCIL RESOLUTION 661 ESTABLISHING MANDATORY SANCTIONS AGAINST IRAQ AND HAVE TAKEN, OR WILL TAKE, STEPS TO IMPLEMENT THAT RESOLUTION. A NUMBER OF NATIONS ARE PROVIDING FINANCIAL AND ECONOMIC SUPPORT TO THOSE STATES ENDURING PARTICULAR ECONOMIC SACRIFICES DUE TO THEIR ADHERENCE TO THE SANCTIONS. OPEC NATIONS SUCH AS SAUDI ARABIA, THE UNITED ARAB EMIRATES, AND VENEZUELA HAVE AGREED TO INCREASE PRODUCTION TO OFFSET THE LOSS OF IRAQI AND KUWAITI OIL EXPORTS.

IRAQ TODAY STANDS AS AN INTERNATIONAL PARIASH, AN OUTLAW ISOLATED FROM THE ARAB LEAGUE MAJORITY AND CONDEMNED BY THE INTERNATIONAL COMMUNITY. THE IRAQI ECONOMY IS FEELING THE BITE OF SANCTIONS. THAT BITE WILL BECOME MORE PAINFUL IN THE WEEKS AND MONTHS AHEAD. IRAQ LOSES APPROXIMATELY 2.7 MILLION BARRELS A DAY IN LOST OIL EXPORTS OR MORE THAN 2.4 BILLION DOLLARS PER MONTH FROM ITS INABILITY TO SELL IRAQI OIL ON THE INTERNATIONAL MARKET.

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DIPLOMATIC STRATEGY:

THE PRESIDENT HAS CLEARLY DEFINED OUR OBJECTIVES: THE IMMEDIATE, COMPLETE AND UNCONDITIONAL WITHDRAWAL OF ALL IRAQI FORCES FROM KUWAIT; RESTORATION OF KUWAIT'S LEGITIMATE GOVERNMENT; THE SECURITY AND STABILITY OF THE GULF REGION; AND THE PROTECTION OF THE LIVES OF AMERICAN AND OTHER FOREIGN CITIZENS HELD HOSTAGE BY IRAQ.

WE HAVE WIDE INTERNATIONAL SUPPORT FOR THIS POSITION. WHEN I ACCOMPANIED THE SECRETARY ON HIS RECENT TRIP, I HEARD ARAB AND EUROPEAN LEADERS AGREE STRONGLY WITH THIS DETERMINATION.

THE JOINT COMMUNIQUE ISSUED BY PRESIDENT BUSH AND SOVIET PRESIDENT GORBACHEV AT THE CONCLUSION OF THEIR SEPTEMBER 9 MEETING IN HELSINKI STRESSES THAT "NOTHING SHORT OF THE COMPLETE IMPLEMENTATION OF THE UNITED NATIONS SECURITY COUNCIL RESOLUTIONS IS ACCEPTABLE." DURING THE SECRETARY'S VISIT TO NATO HEADQUARTERS ON SEPTEMBER 10, OUR EUROPEAN ALLIES WERE UNITED IN REJECTING THE IDEA OF A PARTIAL SOLUTION.

GIVEN THE INFLEXIBLE IRAQI POSITION, OUR DIPLOMATIC STRATEGY MUST FOCUS ON SUSTAINING THE INTERNATIONAL SENSE OF FIRMNESS, THE UNITY OF PURPOSE, AND THE SENSE OF COHESION THAT HAVE CONFRONTED SADDAM HUSSEIN. WE MUST WORK TO MAINTAIN AND STRENGTHEN SANCTIONS AGAINST IRAQ WHILE INCREASING MULTINATIONAL MILITARY FORCES IN THE AREA TO DETER FURTHER IRAQI ACTS OF AGGRESSION.

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RESPONSIBILITY-SHARING:

WE MUST ASSURE THAT THE MILITARY AND ECONOMIC BURDEN OF DETERRING AGGRESSION WHILE THE SANCTIONS TAKE EFFECT ARE SHARED EQUITABLY. AS THE PRESIDENT SAID ON AUGUST 30, "IT IS IMPORTANT THAT THE CONSIDERABLE BURDEN OF THE EFFORT BE SHARED BY THOSE BEING DEFENDED, AND THOSE WHO BENEFIT FROM THE FREE FLOW OF OIL. INDEED, ANYONE WHO HAS A STAKE IN INTERNATIONAL ORDER HAS AN INTEREST THAT ALL OF US SUCCEED....WE'RE MORE THAN WILLING TO BEAR OUR FAIR SHARE OF THE BURDEN.... BUT WE ALSO EXPECT OTHERS TO BEAR THEIR FAIR SHARE."

WE MUST ALSO ASSURE THAT THOSE STATES, SUCH AS EGYPT AND TURKEY, WHOSE ECONOMIES HAVE BEEN HIT PARTICULARLY HARD BY ADHERENCE TO THE SANCTIONS ARE GIVEN THE FINANCIAL ASSISTANCE NECESSARY TO HELP THEM WEATHER THE STORM CREATED BY IRAQI AGGRESSION.

JORDAN'S ECONOMY STANDS TO LOOSE PROPORTIONATELY MORE THAN ANY OTHER NATION AS A RESULT OF STRICT ADHERENCE TO UNSC RESOLUTION 661. FOR THIS REASON, WE HAVE WORKED BILATERALLY DURING THE BAKER/BRADY MISSIONS AND AT THE UN TO GENERATE SUPPORT FOR JORDAN, PROVIDING THAT JORDAN VIGOROUSLY ENFORCES SANCTIONS. INDICATIONS ARE THAT JORDAN IS APPLYING SANCTIONS; THERE HAS BEEN IMPROVEMENT.

HOWEVER, ON THE POLITICAL LEVEL, JORDAN'S PERFORMANCE STILL PRESENTS DIFFICULTIES. WE ARE SHOCKED BY THE RALLY OF RADICAL ARAB FORCES HELD THIS WEEKEND IN AMMAN AND PARTICULARLY BY ITS HARSH ANTI-AMERICAN TONE. THAT JORDAN WOULD LENDS ITS NAME TO AN EVENT OF THIS SORT IS, FRANKLY, VERY DISAPPOINTING.

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WE FIND IT HARD TO UNDERSTAND WHY SOME OF THE SAME FORCES WHO WERE DRIVEN OUT OF JORDAN IN 1970 BECAUSE THEY UNDERMINED JORDANIAN STABILITY ARE TODAY ASSEMBLING IN AMMAN TO DECLARE THEIR SUPPORT FOR SADDAM HUSSEIN.

THE JORDANIAN GOVERNMENT HAS INFORMED US THAT IT OPPOSES IRAQI ACQUISITION OF TERRITORIES BY FORCE IN KUWAIT; WE WOULD HOPE THAT IT WOULD LOOK FOR WAYS TO STRENGTHEN THAT OPPOSITION, RATHER THAN UNDERMINE IT.

HOSTAGES IN IRAQ:

IRAQ STILL CONTINUES TO HOLD ABOUT 1440 AMERICAN CITIZENS HOSTAGE, AS WELL AS HUNDREDS OF THOUSANDS OF OTHER FOREIGNERS.

ABOUT THREE WEEKS AGO, I WAS AT ANDREWS AIR FORCE BASE TO MEET THE FIRST PLANE BRINGING HOME WOMEN AND CHILDREN FROM OUR EMBASSY IN KUWAIT. I SAW FAMILIES WHO HAD DISPLAYED GREAT COURAGE, BUT WHO ALSO REMAINED FULL OF ANXIETY FOR RELATIVES LEFT BEHIND. THESE FEELINGS ARE SHARED BY THOUSANDS OF FAMILIES ACROSS THE UNITED STATES AND THE WORLD WHO HAVE RELATIVES STILL TRAPPED IN IRAQ AND KUWAIT. THE U.S. EMBASSY IN KUWAIT REMAINS OPEN, AND OUR FLAG STILL FLIES, TO DEMONSTRATE THE COMMITMENT OF THE AMERICAN GOVERNMENT AND PEOPLE TO DO ALL WE CAN TO PROTECT OUR FELLOW CITIZENS AND SECURE THEIR SAFE RETURN HOME. THE MEN AND WOMEN SERVING AT OUR EMBASSY IN KUWAIT AND OUR EMBASSY IN BAGHDAD HAVE BEEN AN INSPIRATION TO US ALL. THEY HAVE DISPLAYED COURAGE AND RESILIENCE UNDER SOME OF THE MOST TRYING CONDITIONS IMAGINABLE. I KNOW ALL MEMBERS OF THE COMMITTEE JOIN ME IN SALUTING THE PERFORMANCE OF OUR FELLOW AMERICANS WHO REMAIN IN BAGHDAD AND KUWAIT.

WE AND THE CIVILIZED WORLD DEMAND THAT IRAQ COMPLY WITH UN SECURITY COUNCIL RESOLUTION 664. WE DEMAND THAT THE IRAQI GOVERNMENT FACILITATE THE IMMEDIATE DEPARTURE OF ALL FOREIGN NATIONALS WISHING TO LEAVE IRAQ AND KUWAIT.

CONCLUSION:

THE INTERNATIONAL REACTION TO THE IRAQI INVASION OF KUWAIT IS TRULY UNPRECEDENTED. THE UNITED STATES AND THE SOVIET UNION, EMERGING FROM THE COLD WAR, HAVE TAKEN A COMMON STAND. THE ARAB LEAGUE MAJORITY, THE MAJORITY OF THE ORGANIZATION OF THE ISLAMIC CONFERENCE, THE EUROPEAN COMMUNITY, NATO, THE ORGANIZATION OF AMERICAN STATES, THE ORGANIZATION OF AFRICAN UNITY, AND MEMBERS OF THE ASSOCIATION OF SOUTH EAST ASIAN NATIONS HAVE SPOKEN OUT FORCEFULLY AGAINST IRAQI AGGRESSION. THIS IS TRULY INTERNATIONAL COHESION -- AND THIS COHESION EXISTS BECAUSE THE CAUSE IS JUST. THE UNITED STATES IS LEADING, BUT THE UNITED STATES IS NOT ALONE. THE UNITED NATIONS SECURITY COUNCIL HAS VOTED SEVEN RESOLUTIONS. ON THE ISSUE OF IRAQI AGGRESSION, THERE IS NO EAST OR WEST; THERE IS NO NORTH OR SOUTH. THERE IS UNITY THAT ECHOES PRESIDENT BUSH'S STATEMENT "IRAQI AGGRESSION WILL NOT STAND."

TWO WEEKS AGO, IN HIS TESTIMONY BEFORE THE FULL COMMITTEE, SECRETARY BAKER POINTED OUT THAT THE UNITED STATES REMAINS "THE ONE NATION THAT HAS THE NECESSARY POLITICAL, MILITARY, AND ECONOMIC INSTRUMENTS...TO CATALYZE A SUCCESSFUL COLLECTIVE RESPONSE BY THE INTERNATIONAL COMMUNITY." WE MUST CONTINUE TO UTILIZE OUR UNIQUE ASSETS TO MAINTAIN THE INTERNATIONAL CONSENSUS, STRENGTHEN THE SANCTIONS REGIME, AND CONTINUE TO DETER FURTHER IRAQI AGGRESSION SO THAT SADDAM HUSSEIN AT LAST WILL BE FORCED TO FACE THE FACTS THAT HIS ACTIONS HAVE BEEN BASED ON MISCALCULATION AND HAVE CAUSED SEVERE DAMAGE TO THE IRAQI NATION.

Mr. HAMILTON. Thank you, Mr. Secretary. Secretary Rowen.

STATEMENT OF HENRY S. ROWEN, ASSISTANT SECRETARY OF INTERNATIONAL SECURITY AFFAIRS, DEPARTMENT OF STATE

Mr. ROWEN. Mr. Chairman, seven weeks ago at the request of King Fahd, President Bush ordered the deployment of U.S. Forces to Saudi Arabia to protect vital U.S. interests.

You have just heard from Secretary Kelly each of these interests and our objectives. As a result, we now have over 150,000 troops in the Gulf theater, and more are on the way.

This fast deployment is the result of our recognizing the importance of the Gulf for many years and the preparations we made. As you know, the Gulf holds over 70 percent of the world oil reserves and is the source for 33 percent of Western oil production.

This source of energy is critical not only to the United States, but also the world economy.

MILITARY PREPARATIONS

Our preparations over the years entailed having a naval force in the Gulf; access agreements for bases both en route there to the region and in the region. En route, for example, in Diego Garcia we acquired access rights as long ago as 1966 and in the region itself over the years.

We have had equipment prepositions on ships and on land; joint planning and exercises with friendly regional states; and we created the U.S. Central Command.

Sales of U.S. made weapon systems has also assured compatibility and inter-operability of our equipment with their equipment, while the building of oversized facilities by friendly regional countries has enabled them to accommodate U.S. and other military forces in this crisis.

We also, as you have just heard, have a lot of company in this enterprise. Military forces from 26 countries are participating in the land-based Desert Shield operation and the maritime enforcement of the U.S. sanctions.

In the last few days, we have witnessed increased commitments by the United Kingdom, France, and Egypt, among others.

All members of the Gulf Cooperation Council have done their part in the collective effort by offering both troops and material.

IRAQ'S MILITARY POSITION

Left uncountered, the Iraqi army could have seized the Saudi oil fields. Even without doing that, Iraq would have dominated the Arabian Peninsula. In the short-term, Iraq could have destabilized and manipulated the oil market, bringing disruption in production and increase in prices far more than we've seen.

In the longer term, Saddam could have consolidated his control, expanded his military arsenals by using the increased revenue, and threatened the economic livelihood of all oil-importing nations.

Most dangerously, armed with new economic, political, and military weapons, Saddam Hussein would have been able to establish Iraq as the leading power in the region. Thus, stopping Saddam Hussein is imperative and the outcome of this crisis will define ac-

ceptable international behavior for the aggressors in post-cold war era.

Mr. Chairman, as you know, the cost of providing the forces in Operation Desert Shield is about \$3 billion a month, of which \$1 billion a month is in incremental expenses. That is the cost of moving the forces there and operating there instead of in the United States, or wherever else they were.

TURKEY, EGYPT AND JORDAN

In addition, as Mr. Kelly has just said, the frontline countries—Turkey, Egypt and Jordan—face serious economic losses due to the economic embargo and the disruption.

Other nations are hurt as well. The President has announced an economic action plan to seek contributions from other countries, and our allies are responding. Their contributions total about \$20 billion.

About half of that, actually a little less than half of that, is to offset American costs and half for the front line and other states.

Specifically, the Gulf States have offered \$12 billion to our plan. Japan has quadrupled its initial offer and offered \$4 billion. Germany has offered \$2 billion, and the European Community as a whole has pledged \$2 billion.

These contributions come in the form of cash, and in-kind goods and services. This support which is, of course, not just financial, but it is diplomatic and military as well, shows the high commitment of many nations to this enterprise.

Looking ahead, the question is often asked how long will we be there? I cannot give a definitive answer. We were invited, along with many other nations, by the Saudis and other governments, to help defend their countries and we will be there as long as it takes to achieve our mutual objectives, and when that is done or when the countries ask, we will leave.

In the future, we will need to work with our friends in the Gulf to strengthen their defense capabilities and to bolster their abilities to receive reinforcements if that ever becomes necessary again.

We need to ensure that the countries of this area are not in such a vulnerable position that a massive U.S. deployment is required. To accomplish that task, Mr. Chairman, we will need to consult with you and members of this committee, and we will need your help and support.

Thank you.

[The prepared statement of Mr. Rowen follows:]

**The Honorable Henry S. Rowen
Assistant Secretary of Defense for
International Security Affairs**

MR. CHAIRMAN:

THANK YOU FOR THE OPPORTUNITY TO APPEAR TODAY TO TESTIFY ON THE GULF CRISIS. I WILL KEEP MY REMARKS BRIEF SO YOU AND OTHER MEMBERS CAN HAVE MORE TIME FOR QUESTIONS.

SEVEN WEEKS AGO, AT THE REQUEST OF KING FAHD, PRESIDENT BUSH ORDERED THE DEPLOYMENT OF U.S. FORCES TO SAUDI ARABIA TO PROTECT VITAL U.S. INTERESTS. OUR OBJECTIVES ARE TO:

1. ASSURE THE SECURITY AND STABILITY IN THE REGION;
2. EFFECT THE IMMEDIATE, COMPLETE, AND UNCONDITIONAL WITHDRAWAL OF ALL IRAQI FORCES FROM KUWAIT;
3. RESTORE THE LEGITIMATE GOVERNMENT OF KUWAIT; AND
4. PROTECT THE LIVES OF AMERICAN CITIZENS IN THE REGION.

IN SUPPORT OF THESE OBJECTIVES WE HAVE UNDERTAKEN AN UNPRECEDENTED MILITARY EFFORT. WE NOW HAVE OVER 150,000 SOLDIERS, SAILORS, AIRMEN, AND MARINES IN THE GULF THEATER. THE MOVEMENT OF U.S. FORCES HAS GONE VERY WELL. WE HAVE ELEMENTS OF SEVERAL ARMY DIVISIONS, NUMEROUS AIR FORCE FIGHTER AND STRATEGIC AIRCRAFT SQUADRONS, A MARINE EXPEDITIONARY FORCE, SPECIAL OPERATIONS FORCES, THREE CARRIER BATTLE GROUPS, A BATTLESHIP,

AND OTHER NAVAL ASSETS IN THE PERSIAN GULF, INDIAN OCEAN, AND RED SEA.

THIS FAST DEPLOYMENT IS THE RESULT OF OUR RECOGNIZING THE IMPORTANCE OF THE GULF FOR MANY YEARS AND THE PREPARATIONS WE MADE. AS YOU KNOW, THE GULF HOLDS OVER 70 PERCENT OF THE WORLD OIL RESERVES AND IS THE SOURCE FOR 33 PERCENT OF WESTERN OIL PRODUCTION CAPACITY. THIS SOURCE OF ENERGY IS CRITICAL NOT ONLY TO THE U.S. BUT ALSO THE WORLD ECONOMY.

OUR PREPARATIONS OVER THE YEARS ENTAILED HAVING A NAVAL FORCE IN THE GULF; ACCESS AGREEMENTS FOR BASES BOTH EN-ROUTE TO THE REGION, IN DIEGO GARCIA FOR INSTANCE AS LONG AGO AS 1966, AND IN THE REGION; EQUIPMENT PREPOSITIONED IN SHIPS AND ON LAND; JOINT PLANNING AND EXERCISES WITH FRIENDLY REGIONAL STATES; AND THE CREATION OF THE U.S. CENTRAL COMMAND. SALES OF U.S.-MADE WEAPON SYSTEMS HAS ALSO ASSURED COMPATIBILITY AND INTEROPERABILITY WHILE THE BUILDING OF OVERSIZED FACILITIES BY FRIENDLY REGIONAL COUNTRIES HAS ENABLED THEM TO ACCOMMODATE U.S. AND OTHER MILITARY FORCES IN THIS CRISIS.

WE HAVE MUCH COMPANY IN THIS ENTERPRISE. AT THE INVITATION OF THE GOVERNMENTS OF KUWAIT, SAUDI ARABIA AND OTHER GULF NATIONS, MILITARY FORCES FROM 26 COUNTRIES ARE PARTICIPATING IN THE LAND-BASED DESERT SHIELD OPERATION AND MARITIME ENFORCEMENT OF THE U.N.-IMPOSED ECONOMIC SANCTIONS. IN THE LAST FEW DAYS, WE HAVE WITNESSED INCREASED COMMITMENTS BY THE U.K., FRANCE, AND EGYPT

AMONG OTHERS. ALL MEMBERS OF THE GULF COOPERATION COUNCIL -- SAUDI ARABIA, KUWAIT, BAHRAIN, QATAR, OMAN, AND THE UAE -- HAVE DONE THEIR PART IN THE COLLECTIVE EFFORT BY OFFERING BOTH TROOPS AND MATERIELS.

LEFT UNCOUNTERED, THE IRAQI ARMY COULD HAVE SEIZED THE SAUDI OIL FIELDS. EVEN WITHOUT DOING THAT, IRAQ WOULD HAVE DOMINATED THE ARABIAN PENINSULA. IN THE SHORT-TERM, IRAQ COULD HAVE DESTABILIZED AND MANIPULATED THE OIL MARKET, BRINGING DISRUPTION IN PRODUCTION AND INCREASE IN PRICES. IN THE LONGER-TERM, SADDAM COULD HAVE CONSOLIDATED HIS CONTROL, EXPANDED HIS MILITARY ARSENALS BY USING THE INCREASED REVENUE, AND THREATENED THE ECONOMIC LIVELIHOOD OF ALL OIL-IMPORTING NATIONS. MOST DANGEROUSLY, ARMED WITH NEW ECONOMIC, POLITICAL, AND MILITARY WEAPONS, SADDAM HUSSEIN WOULD HAVE BEEN ABLE TO ESTABLISH IRAQ AS THE LEADING POWER IN THE REGION. THUS, STOPPING SADDAM HUSSEIN IS IMPERATIVE; THE OUTCOME OF THIS CRISIS WILL DEFINE ACCEPTABLE INTERNATIONAL BEHAVIOR FOR THE AGGRESSORS IN POST-COLD WAR ERA.

MR. CHAIRMAN, AS YOU KNOW, THE COST OF PROVIDING THE FORCES IN OPERATION DESERT SHIELD IS ABOUT \$3 BILLION PER MONTH, OF WHICH \$1 BILLION IS INCREMENTAL EXPENSES. IN ADDITION, FRONTLINE COUNTRIES SUCH AS TURKEY, EGYPT, AND JORDAN FACE SERIOUS ECONOMIC LOSSES DUE TO THE ECONOMIC EMBARGO. OTHER NATIONS ARE HURT AS WELL. THE PRESIDENT HAS ANNOUNCED AN ECONOMIC ACTION PLAN TO SEEK CONTRIBUTIONS FROM OTHER COUNTRIES. OUR ALLIES ARE

RESPONDING. THEIR CONTRIBUTIONS TOTAL \$20 BILLION; ABOUT HALF OF THAT IS TO OFFSET U.S. COSTS AND HALF FOR THE FRONTLINE STATES. SPECIFICALLY, THE GULF STATES HAVE OFFERED \$12 BILLION TO OUR PLAN; JAPAN HAS QUADRUPLED ITS INITIAL CONTRIBUTION AND OFFERED \$4 BILLION; GERMANY HAS OFFERED \$2 BILLION; AND THE EC HAS PLEDGED \$2 BILLION. THESE CONTRIBUTIONS COME IN THE FORM OF CASH AND IN-KIND GOODS AND SERVICES. THIS SUPPORT -- DIPLOMATICALLY, MILITARILY, AND FINANCIALLY-- SHOWS THE HIGH COMMITMENT OF MANY NATIONS TO THIS ENTERPRISE.

LOOKING AHEAD, THE QUESTION IS OFTEN ASKED, "HOW LONG WILL WE BE THERE?" I CANNOT GIVE A DEFINITIVE ANSWER. WE WERE INVITED ALONG WITH MANY OTHER NATIONS BY THE SAUDIS AND OTHER GOVERNMENTS TO HELP DEFEND THEIR COUNTRIES, AND WE WILL BE THERE AS LONG AS IT TAKES TO ACHIEVE OUR MUTUAL OBJECTIVES. WHEN THAT IS DONE, OR WHEN THE COUNTRIES ASK, WE WILL LEAVE.

IN THE FUTURE, WE WILL NEED TO WORK WITH OUR FRIENDS IN THE GULF TO STRENGTHEN THEIR DEFENSE CAPABILITIES AND BOLSTER THEIR ABILITIES TO RECEIVE REINFORCEMENTS IF THAT EVER BECOMES NECESSARY AGAIN. WE NEED TO ENSURE THAT THE COUNTRIES OF THIS AREA ARE NOT IN SUCH A VULNERABLE POSITION THAT A MASSIVE U.S. DEPLOYMENT IS REQUIRED. TO ACCOMPLISH THAT TASK, MR. CHAIRMAN, WE WILL NEED TO CONSULT WITH YOU AND MEMBERS OF THIS COMMITTEE, AND WE WILL NEED YOUR HELP AND SUPPORT.

THANK YOU.

NATURE OF COMMITMENT

Mr. HAMILTON. Thank you very much, Secretary Rowen. We have a vote pending in the House and before we begin the questions, the subcommittee will take a recess.

[Recess.]

Mr. HAMILTON. The subcommittee will resume its sitting.

The subcommittee will begin with questions from the members.

Mr. Secretary, I want to begin with the nature of the commitment to the Persian Gulf. Is our commitment written down anywhere?

Mr. KELLY. Mr. Chairman, I am sure you've noticed that our last exchange on commitments in the Gulf has drawn a lot of attention.

Mr. HAMILTON. That's why I am asking you if it was written down.

Mr. KELLY. And the situation is the same as that that we discussed at the last hearing.

Mr. HAMILTON. What does that mean?

Mr. KELLY. That means—and this is the truth, and my testimony has been criticized because I stated at the last hearing that there was no defense treaty with states in the Gulf, but that was the truth then, that has been the truth for many years, and that remains the truth.

Mr. HAMILTON. Well, obviously we have commitments now, do we not, in the region?

Mr. KELLY. Well, clearly we are acting jointly under the United Nations Security Council resolutions to help resist aggression and to defend the states in the region that are threatened.

ANY DOCUMENTS ON COMMITMENTS

Mr. HAMILTON. Now, are there no written documents other than the one that you have referred to, to spell out our commitment?

Mr. KELLY. I'm sorry.

Mr. HAMILTON. Are there no written documents to spell out our commitments?

Mr. KELLY. The President has publicly enunciated our goals, and I reiterated them in my statements. There are the United Nations Security Council resolutions that are a matter of record.

Mr. HAMILTON. And no other documents.

Mr. KELLY. None of which I am aware.

Mr. HAMILTON. Are there any secret agreements? Are there any secret understandings relating to our commitment, written or unwritten?

Mr. KELLY. None of which I am aware, Mr. Chairman.

Mr. HAMILTON. All of the commitments then of the United States are in the public domain.

Mr. KELLY. Yes, sir.

Mr. HAMILTON. What is our specific commitment to Saudi Arabia?

Mr. KELLY. Our commitment to Saudi Arabia is the expression by American presidents since Franklin Roosevelt of our interest in stability in that region and the security and independence of the states in the area.

That has been reiterated by successive presidents, and the American force deployments to the region are a manifestation of American seriousness of purpose.

DEFENSE AGREEMENT

Mr. HAMILTON. When you say that there are no secret agreements that you are aware of, are you aware of any, Secretary Rowen?

Mr. ROWEN. Mr. Chairman, we have an understanding with the Saudis on the nature of our forces, relation between our forces in Saudi Arabia, and their forces in Saudi Arabia. We have an understanding of that character. I would not characterize that as a far-reaching agreement that sitting on a treaty would be here before the Congress.

But we do have an agreement with the Saudis on our force relationships there.

Mr. HAMILTON. But that agreement is not public.

Mr. ROWEN. That is right.

Mr. HAMILTON. But it does not relate to the commitment, it relates to the interaction of the two military forces.

Mr. ROWEN. It basically has to do with the circumstances under which we are there, and the nature of the relationship between our forces and the Saudi forces.

Mr. HAMILTON. Has that agreement been transmitted to the Congress?

Mr. ROWEN. I am not aware that it has, sir.

Mr. HAMILTON. Why not?

Mr. KELLY. It will be, under the terms of the Case-Zablocki Act, Mr. Chairman.

Mr. HAMILTON. When will it be transmitted to us?

Mr. ROWEN. I do not know the timing of that, sir. We will certainly let you know on that.

Mr. HAMILTON. Well, will we get it next week or ten years from now?

Mr. KELLY. Certainly not ten years from now. The Case-Zablocki Act, it is my recollection, requires submission within 60 days.¹

COMMITMENT TO SAUDI ARABIA

Mr. HAMILTON. Now, none of the U.N. resolutions speak to Saudi Arabia. What is our commitment to Saudi Arabia? We are going to defend Saudi Arabia, is that correct?

Mr. KELLY. That is correct.

Mr. HAMILTON. The territorial integrity of Saudi Arabia.

Mr. KELLY. That is correct.

Mr. HAMILTON. And does that same commitment pertain to Bahrain and Qatar and the United Arab Emirates and Oman and Kuwait?

Mr. KELLY. It extends to the states that are cooperating with us in the reaction to the Iraqi aggression in the Gulf, so I think it's—

¹ Under the Case-Zablocki Act, the Committee on Foreign Affairs received a Classified International Agreement on October 16, 1990.

Mr. HAMILTON. So if any of those states are invaded by any outside force, we have a commitment to defend them, is that correct?

Mr. KELLY. I am not sure if I would say any outside force. We are engaged in specific cooperation with them now in response to Iraqi aggression.

Mr. HAMILTON. Is that the extent, then, of the commitment—only Iraqi aggression? Or is it all aggression?

Mr. KELLY. I think for the purposes of this, of what has happened in the last seven weeks, Mr. Chairman, we are referring to Iraqi aggression.

Mr. HAMILTON. So our commitment is to defend those states that I have named and that you have identified against Iraqi aggression. Is that the commitment?

Mr. KELLY. That is our purpose, that's right.

Mr. HAMILTON. And it does not extend to aggression by any other country against those countries.

Mr. KELLY. I don't want to rule out every contingency, Mr. Chairman.

Mr. HAMILTON. Well, Mr. Secretary, I am not trying to be hair-splitting here. I am just trying to understand what the commitments of the United States Government are in the Gulf.

It is not clear to me what those commitments are. As I understand your testimony, the commitment is that we will defend all of those countries against aggression by Iraq. That's where I am at the moment in listening to your testimony. Is that—

Mr. KELLY. I think that's certainly the purpose of our deployments in that area.

Mr. HAMILTON. All right. Well, I understand the purpose but there is a difference of the deployment and the commitment, and what I am driving at here is the commitment.

Mr. KELLY. Well, in that as we have just testified, there are no written documents, Mr. Chairman. It is not a matter of record.

TIME LIMIT ON COMMITMENT

Mr. HAMILTON. Well, I think I understand that, but we have, according to Secretary Rowen, 150,000 troops there and we ought to be very clear, it seems to me, why we are committing that many military forces.

We are committing those forces, I presume, for a commitment, and I am asking for a simple, straight-forward, easily understood statement with regard to the commitment. I think I understand you at that point.

Is there any time limit to this commitment?

Mr. KELLY. The President has stated, Mr. Chairman, that we want to get our forces that we have deployed back home as soon as we reasonably can.

The President has also stated that it will be our intention to maintain naval forces in the region, as we have done since the late 1940's.

Mr. ROWEN. Mr. Chairman.

Mr. HAMILTON. Is this—

Mr. ROWEN. If I might.

Mr. HAMILTON. Yes.

Mr. ROWEN. I addressed this in my opening remarks and this is the position that has been taken by the President, and that is that we will, we have been invited to help defend these countries and we will be there as long as it takes to achieve our mutual objectives.

When that is done, when the countries ask, we will leave.

Mr. HAMILTON. Where are you reading from, Mr. Rowen?

Mr. ROWEN. From my statement.

Mr. HAMILTON. Page what?

Mr. ROWEN. The one next to the last paragraph.

Mr. HAMILTON. And the countries in that statement are whom?

Mr. ROWEN. We are there in the Gulf countries. We have forces in Saudi Arabia and other of the Gulf countries.

Mr. HAMILTON. So all of those countries—

Mr. ROWEN. Bahrain, Qatar, Oman.

Mr. HAMILTON. Oman, Kuwait.

Mr. ROWEN. Not in Kuwait.

Mr. HAMILTON. Saudi Arabia.

Mr. ROWEN. Saudi Arabia.

Mr. HAMILTON. All right.

Mr. KELLY. Mr. Chairman.

Mr. HAMILTON. Yes.

COMMENT ON JULY 31 HEARING

Mr. KELLY. May I make one short statement to the record that refers to our colloquy on July 31st.

There have been newspaper articles that the statement, that my statement on behalf of the administration that no defense treaty existed with Kuwait somehow invited the Iraqi aggression.

I would just like to state for the record two things. One, that at the hearing I said in response to your questions, that it was the intention of the United States to stand by its friends in the region, and secondly, that clearly Saddam Hussein knew very well whether or not a defense treaty existed between the United States and Kuwait before the hearing on the 31st of July.

Thank you, Mr. Chairman.

Mr. HAMILTON. At the appropriate time, Mr. Kelly, I will come back to that topic in some detail, but right at the moment I am focused on the question of commitments.

Now, we are not concerned, are we, in our commitment about border changes in Saudi Arabia. We are concerned in our commitment, as I understand your testimony, only with aggression from Iraq against these countries.

Mr. KELLY. That's right. We have historically not gotten involved in the particular border disputes which have existed for many years among the states in the area.

BORDER DISPUTES

Mr. HAMILTON. Saudi Arabia, of course, has border disputes with almost every country that it borders, I think with the exception of Jordan, and we are not concerned with those.

Mr. KELLY. I think that is correct.

Mr. HAMILTON. This commitment is a U.S. commitment or a U.N. commitment.

Mr. KELLY. The dispatch of the United States forces was a decision by the President of the United States, consonant with the right of individual and collective self-defense under the United Nations charter.

Mr. HAMILTON. Does this commitment extend to the effort to overthrow or to destabilize one of these countries in the Gulf by external sabotage, or externally-financed sabotage or subversion?

Mr. KELLY. I think what we are talking about and thinking about is aggression from without, and specifically the case is the Iraqi aggression.

Mr. HAMILTON. So it does not refer to those circumstances.

Mr. KELLY. Well, you have used an extremely broad definition, Mr. Chairman, and I am not sure that I want to rule out every possible contingency that would be encompassed by your statement.

COMMITMENT AGAINST IRAQ

Mr. HAMILTON. Well, in any event, the impression I have from your testimony is in your mind at least, and I gather in Secretary Rowen's mind as well, the commitment of the United States is a commitment to defend these several countries that we have identified from aggression by Iraq, and that that commitment will extend as long as they want us there.

Mr. ROWEN. No, mutual. If you will notice the expression I used, of mutual interest. We have an interest here as well, we have a shared interest. I would not characterize it entirely as a matter of their disposition.

Mr. HAMILTON. Well, your sentence is that when that is done, or when the countries ask, we will leave.

Mr. ROWEN. We will certainly leave if asked.

Mr. HAMILTON. What?

Mr. ROWEN. We will certainly leave if asked.

Mr. HAMILTON. So if any one of those countries asked to leave, we would leave.

Mr. ROWEN. There is no part of the world where if asked to leave, we will not leave.

NUMBER OF TROOPS

Mr. HAMILTON. All right. Are we now leveled off on our commitment, Secretary Rowen? You said 150,000. Is that about where we're going to be.

Mr. ROWEN. No.

Mr. HAMILTON. Or are there a lot more to come.

Mr. ROWEN. Mr. Chairman, I really cannot get into the business of describing what the future of our build-up will be.

We have forces, of course, that are en route there, that are still moving there, and that are still being sent there. That is a matter for the President to decide.

It has not been decided what additional forces shall be sent.

Mr. HAMILTON. I see, and he has not yet determined that.

Mr. ROWEN. Well, he will tell us what he tell us, when he decides it.

Mr. HAMILTON. So he has not yet decided.

Mr. ROWEN. I don't know what he's decided, frankly. I know what he's told us.

Mr. HAMILTON. Will that build-up be completed—can you give us any time frame by which the build-up will be completed?

Mr. ROWEN. I cannot, sir.

Mr. HAMILTON. Mr. Lantos.

BURDENSARING

Mr. LANTOS. Thank you, Mr. Chairman. There are several issues I would like to explore with our witnesses.

I first would like to raise some questions concerning burdensaring. I can only describe your testimony, Mr. Rowen, by saying the fairy tales continue. On page 4, you say Japan has quadrupled its initial contribution. Then you go on to say this support diplomatically, militarily and financially shows the high commitment of many nations to this enterprise. It shows nothing of the sort. It shows that Japan made a shamelessly minimal contribution initially, and as a result of Congressional action, and pressure from the American public they gradually upped the ante. That's what it means.

How much is South Korea contributing?

SOUTH KOREA AND TAIWAN

Mr. ROWEN. Mr. Chairman, I don't have that figure with me.

Mr. LANTOS. Well, you ought to have that figure with you. That's what this hearing is about.

Mr. ROWEN. I will say that it is a very significant contribution, however.

Mr. LANTOS. Well, since that doesn't tell me anything, I would like you to quantify it. I'd like you to quantify it, Mr. Secretary.

Mr. ROWEN. We do not have a figure back from them, but when—

Mr. LANTOS. Then how do you know it is a significant contribution?

Mr. ROWEN. We believe it will be a substantial contribution. We don't have that information.

Mr. LANTOS. When will we find out what the South Korean contribution will be?

Mr. ROWEN. As soon as we find out, we will let you know.

Mr. LANTOS. What is the contribution of Taiwan? They depend on this oil desperately.

Mr. ROWEN. Representative, I really—

Mr. LANTOS. I can't hear you. Please pull the mike closer to you, sir.

Mr. ROWEN. I don't have a figure for you on that subject.

Mr. LANTOS. Why not, sir?

Mr. ROWEN. Because I do not have that figure at my disposal.

Mr. LANTOS. Who has that figure at his disposal?

Mr. ROWEN. We will provide that information to you.

Mr. LANTOS. Was that an unexpected question, Mr. Secretary?

Mr. ROWEN. No.

Mr. LANTOS. Was it an unreasonable question?

Mr. ROWEN. No, it is not an unreasonable question. We will provide the information to you.

Mr. LANTOS. When will that take place?

Mr. ROWEN. We will get that information to you quite soon.

Mr. LANTOS. I can't hear you, sir.

Mr. ROWEN. Quite soon.

[The information follows:]

DEPARTMENT OF STATE'S RESPONSE

South Korea has committed to contribute a total of \$170 million in 1990. Of this amount, about \$95 million has been pledged to assist with U.S. Desert Shield costs and the remainder for economic assist to other nations. The contribution to the U.S. will include a combination of a financial donation, in-kind material support, and transportation (some lift has already been provided).

Taiwan authorities have announced publicly that they will contribute \$30 million to the front-line states.

DEPARTMENT OF DEFENSE'S RESPONSE

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AMBASSADOR GLASPIE

Mr. LANTOS. Well, let me move on to another subject which I find intriguing.

Mr. Secretary, what is the name of our ambassador to Iraq?

Mr. KELLY. April Glaspie.

Mr. LANTOS. April Glaspie. When was April Glaspie appointed ambassador to Iraq, approximately?

Mr. KELLY. In the summer of 1988.

Mr. LANTOS. In the summer of 1988, so she spent two years in Iraq as our ambassador.

Mr. KELLY. That is correct.

Mr. LANTOS. When did she last see Saddam Hussein?

Mr. KELLY. During the last week of July.

Mr. LANTOS. And when did she leave Iraq?

Mr. KELLY. She left Iraq on the 30th or the 31st of July.

Mr. LANTOS. Well, in view of the fact that there were countless media stories, and western reporters were taken into Iraq to show the tremendous troop build-up on the Kuwaiti border, has it occurred to anybody in the State Department that this was not the most propitious time for our ambassador to leave?

Mr. KELLY. Mr. Lantos, I believe you are in error. I don't believe any reporters were taken into Iraq to be shown the build-up on the Kuwait border.

Mr. LANTOS. No, I am not in error. I read it in the media, as you must have read it, if you read the media. There were stories in the media—you were unaware—well, let me rephrase the question. I am not going to debate what you read and what you don't read.

Were you aware of an Iraqi military build-up on the Kuwaiti border on July 30th?

Mr. KELLY. Yes, indeed, and I testified about it before this committee.

WHY DID AMBASSADOR GLASPIE LEAVE

Mr. LANTOS. Excellent. Under those circumstances, what do you think was the wisdom of having the American Ambassador leave Baghdad?

Mr. KELLY. I think that there was a reasonable justification for her departure from Baghdad.

Mr. LANTOS. I'd like to hear that.

Mr. KELLY. Part of this involves some personal matters which I don't think it is appropriate to discuss in public session. I would be glad to meet with you briefly afterwards, Mr. Chairman, but the considered judgment was that there was a very capable Number Two at the Embassy, and indeed, he has demonstrated in the seven weeks since then that he is a consummate professional who has done a fine job, and therefore—

Mr. LANTOS. I have no intention of discussing the qualifications of the Deputy Chief. Is the inference of your statement that our Ambassador in Iraq, in this pivotal country, whose aggression has now necessitated the dispatch of a whole military establishment, was not competent?

Mr. KELLY. Not at all, not in the least.

Mr. LANTOS. She also is competent.

Mr. KELLY. She is extremely competent.

Mr. LANTOS. Yes, well, under the circumstances, whatever personal problems may have existed, and we will be interested to hear from you what those personal problems might have been, in retrospect, Mr. Kelly, do you think that the U.S. Ambassador leaving Baghdad on July 30th, 48 hours before the Iraqi invasion of Kuwait, was a sound decision?

Mr. KELLY. I think it was a good decision based on what we knew then.

Mr. LANTOS. Well, you just testified that you knew of a large military build-up.

Mr. KELLY. That is correct.

Mr. LANTOS. Was it conceivable that that large military build-up was designed for an invasion of Kuwait?

Mr. KELLY. Certainly it was, and in retrospect—

Mr. LANTOS. It certainly was. Well, some of us said it in prospect. Not everybody says it in retrospect. You said it in retrospect, but some of us didn't.

Under those circumstances, what justification could there be for allowing a top diplomat, our Ambassador who has dealt with Saddam Hussein, to leave Baghdad?

Mr. KELLY. Among other considerations was that so she could report firsthand on her—

Mr. LANTOS. Was she coming for consultations or was she going on vacation?

Mr. KELLY. She was coming for consultations and to be followed by a period of vacation.

Mr. LANTOS. How long did the consultations last?

Mr. KELLY. In the event, they have lasted the entire time she has been out, say for a few days when she took her mother to California.

Mr. LANTOS. Right. She is still in the process of consultations.

Mr. KELLY. She is working daily in the State Department with us.

Mr. LANTOS. She is working daily in the State Department.

Mr. KELLY. We sent her a week ago, or ten days ago to the—

OTHER AMBASSADORS

Mr. LANTOS. Well, I find something remarkable, Mr. Kelly, and the American people would like to know the answer to this. Our Ambassador as well as the British and the Soviet Ambassadors in Baghdad were all out of Baghdad on August the 2nd.

The British Ambassador returned to Baghdad. The Soviet Ambassador returned to Baghdad. The U.S. Ambassador, I take it, is still in Washington. Is that correct?

Mr. KELLY. She is still in Washington.

Mr. LANTOS. Why?

Mr. KELLY. Because we have considered that it was appropriate for us to keep Ms. Glaspie here, given that we have an entirely competent chargee d'affair operating in Baghdad.

Mr. LANTOS. Well, let me ask a very fundamental question. Isn't it reasonable at moments of extreme crisis when we may in fact be dealing with matters of peace and war, to have our top diplomat designated to serve the United States in a foreign country, to be there on the job?

She is not a consultant to the State Department. She is, as of today, the duly appointed United States Ambassador to Iraq, and she is sitting here in Washington.

Now, try to explain this so that people can understand it, Mr. Kelly.

Mr. KELLY. Let me offer you something, Mr. Lantos. The suggestion, and this is my suggestion, had we sent her back, I suspect you would be asking me why we were signaling that it is business as usual?

Mr. LANTOS. Not at all. I wouldn't be asking that.

Mr. KELLY. But we have weighed the various considerations and the decision has been to keep Ms. Glaspie here in Washington.

We sent her ten days ago to Western Europe to explain to the NATO allies the American position on Iraq, and she has made a valuable contribution.

WHO MADE DECISION ON AMBASSADOR GLASPIE

Mr. LANTOS. I am sure she has. Mr. Kelly, was the decision not to return our Ambassador to Baghdad made by you, Secretary Baker, or the President himself?

Mr. KELLY. My understanding is it was made by the President.

Mr. LANTOS. Okay. And may I ask why it had to be moved to that level?

Mr. KELLY. The President plays a very active role appropriately in the decisions affecting the management of this crisis. I believe this was brought up in one of the meetings at which the President was present.

Mr. LANTOS. I'm sorry. Could you repeat that?

Mr. KELLY. I said I believe this was brought up at one of the meetings at which the President was in the chair.

OTHER COMPARISONS

Mr. LANTOS. Can you think of any episode in American history when in a comparable state of crisis, while maintaining the Embassy open, the Number Two person is in charge and the Ambassador is physically removed from his or her post of duty?

Mr. KELLY. Yes, sir.

Mr. LANTOS. Tell me about those.

Mr. KELLY. After the Afghan invasion, the Soviet invasion of Afghanistan in 1980, the American Ambassador was withdrawn and the Number Two remained in charge for eight years there.

So it is certainly an accepted part of American diplomatic practice.

Mr. LANTOS. Yes, but this is a totally different situation. I know my time is up and I just want to make that point and then yield the balance of my time, Mr. Chairman.

Iraq was not invaded by the Soviet Union. Iraq perpetrated an aggression and the American people would assume that the person appointed by this administration to be our Ambassador there should be in charge on the spot. That's what Ambassadors are appointed for.

Thank you, Mr. Chairman.

PAST STATE TESTIMONY

Mr. HAMILTON. Mr. Secretary, I've been disturbed with some of the statements you have made about your previous testimony before this subcommittee, and I am going to cite to you some of your statements to refresh your recollection.

You have left the impression with this subcommittee that we had a full commitment to Kuwait and our friends in the region, but let me just cite several quotations from you with respect to our relationship with Iraq, and specifically the dialogue that you and I had with regard to Kuwait.

On April 26th you said the following: "Our policy toward Iraq has been to attempt to develop gradually a mutually beneficial relationship in order to strengthen positive trends in Iraq's foreign and domestic policies."

Again, in response to a question on evidence of change in Iraq, you said "one swallow does not make a spring, nevertheless, we believe there is at least the possibility of improvement and we want to try to encourage that improvement."

Again I quote from you, "the best way to improve Iraqi behavior was try to engage with Iraq."

Again I quote, "We believe there is still a potentiality for positive alterations in Iraqi behavior. We do not believe that the imposition of economic sanctions now would leave that possibility open."

You left with this committee, and by you I don't mean you personally because I don't hold you personally responsible for these statements. I take it you are speaking for the President of the United States.

But you left with this committee the clear impression that we seriously mis-read Iraqi policy and we seriously mis-read the possibilities of encouraging improvements in that policy, and in the relationship with Iraq.

On July 31st, two days before the Iraqi invasion—

Mr. KELLY. Mr. Chairman, may I—

Mr. HAMILTON. You testified again—let me complete my statement and then I will let you complete your statement.

You testified against the sanctions. You also said, in response to my question on our commitment—I asked you if there was one—because I had read a report that Secretary Cheney had said the United States commitment was to come to Kuwait's defense, if it was attacked.

Your response over and over again was we have no defense Treaty relationship with any Gulf country. You also said then your statement today quotes, "we support the security and independence of friendly states in the region." But that sentence does not suggest that the United States is prepared to come to the defense of those countries.

That statement does no more than suggest what we apply to all states in the world. We support the security and independence of friendly states. It does not suggest any commitment, nor does your other statement, which you repeated over and over again, that we have no defense treaty relationship with Kuwait. That is an accurate statement. Nonetheless it left the impression that it was the policy of the United States Government not to come to the defense of Kuwait.

That was the impression this committee member had. That was the impression I think most committee members had as a result of that testimony, and it is not, therefore, surprising that that is the impression that the press had, as well.

APRIL 26TH TESTIMONY

Mr. KELLY. All right, Mr. Chairman. First of all, with regard to my April 26th testimony, you have quoted me accurately. I said a number of other things also on April 26th, including listing some 10 or 12 actions or statements by President Saddam Hussein or by the Government of Iraq which ran contrary to civilized norms or behavior.

There is a comprehensive listing in my testimony, and my statement that one swallow does not make a spring was meant to underline that the concept that Iraq might be improving its behavior was certainly not demonstrated, and there certainly was not an extensive body of evidence that would support that.

I talked on that occasion and on other occasions before this committee and before other committees of this Congress about the fact that the Government of the United States was attempting, in its contacts with Iraq, to demonstrate that improved behavior by Iraq could allow it to have a more normal relationship with the rest of the world.

President Bush was asked yesterday at his meeting with regional journalists about this very point, and he said, and I quote, "there was some reason to believe that perhaps improved relations with the West would modify the behavior."

He meant the behavior of Iraq, but he also agreed that in the light of hindsight and of the invasion, that obviously, that policy didn't produce results.

Mr. HAMILTON. And was wrong.

Mr. KELLY. I don't see that he used the word wrong.

Mr. HAMILTON. No, I did. I'm asking you. The policy was wrong.

Mr. KELLY. It did not succeed.

Mr. HAMILTON. That's for sure.

JULY 31 TESTIMONY

Mr. KELLY. Mr. Chairman, may I speak to the point you made about the July 31st testimony?

Mr. HAMILTON. Certainly.

Mr. KELLY. You stated a few moments ago that I testified repeatedly that there was no defense treaty with Kuwait. The reason I testified to that repeatedly, Mr. Chairman, is because you asked me repeatedly.

There was certainly nothing to answer except the truth to that repeated question, "is there a defense treaty with Kuwait?"

Mr. HAMILTON. My quote to you was from Secretary Cheney. I asked you about a press report that Secretary Cheney said that the United States commitment was to come to Kuwait's defense if it is attacked.

Your response was we have no defense treaty relationship with Kuwait. That leaves the impression with me that if Kuwait was attacked, we would not respond.

Mr. LANTOS. Will the gentleman yield?

Mr. HAMILTON. Yes.

Mr. LANTOS. Obviously, Mr. Secretary, the impression that was left with our Chairman is the same impression that was left with Saddam Hussein. This obsequious treatment of him by a large variety of high ranking officials left him with the impression that we would not defend Kuwait upon attack.

I yield back the balance of time.

Mr. HAMILTON. Mr. Leach, I apologize to you here for interrupting the flow of questions, but I did want to respond to Mr. Kelly's observations.

Mr. Leach.

ISSUE OF AMBASSADOR GLASPIE

Mr. LEACH. Well, Mr. Chairman, the minority is always deferential to any pre-emptory statement that you want to make at any time.

Mr. Kelly, it may be that in a meeting with Saddam Hussein, Ambassador Glaspie may have left a false impression of American intent. But whether or not the Ambassador did or didn't, whether or not she is extraordinarily able or extraordinarily unable or of an indifferent caliber, I think this committee ought to respect the judgment of the President when the President is intimately involved in the policy-making process.

So the question I would ask of you is at a time when hostilities are possible, is it a good or a bad idea for the United States Congress to bicker about where is April Glaspie?

Mr. LEACH. You don't need to answer. I'm sorry. I meant that rhetorically.

Mr. LANTOS. Will the gentleman yield?

Mr. LEACH. Yes, of course.

Mr. LANTOS. I have never met Ambassador Glaspie and I personally couldn't care less about her whereabouts. I find it remarkable that the American Ambassador is withdrawn from Baghdad two days before the Kuwaiti invasion, and is not allowed to return. I would like to know what the Secretary thinks of this subcommittee inviting her to testify about her impressions of the last few weeks before the invasion.

We are not interested in her whereabouts. We are pointing out the remarkable phenomenon that the American Ambassador today is not in Baghdad.

ARMS SALES

Mr. LEACH. Well, if the gentleman will yield, I have no objection, although I am not so sure it is the most timely hearing that could be held at this time. But I think in an appropriate post-mortem, that would be very appropriate.

But if the impressions that the press has left about certain of her meetings with Saddam Hussein is at all accurate, I think that the gentleman would concur that maybe it was not an inappropriate decision of the President to have the Ambassador reside here in Washington at this time.

But let me ask several questions of Secretary Rowen.

The United States Congress, on several occasions, has blocked arms sales in the 1970's and 1980's to Saudi Arabia. Do you know of any instance where the blocking of arms sales has led to the refusal to purchase or the restraint on the buying of arms by Saudi Arabia?

Mr. ROWEN. Well you raise a very good point, Congressman. There is one, of course, famous purchase by Saudi Arabia of weapons from another country, and that's the purchase of aircraft, Tornado Aircraft from Great Britain.

Mr. LEACH. And how many did they buy, sir?

Mr. ROWEN. Oh, I don't recall the total numbers. I think that they ordered 50 to 70 aircraft, and it was regarded at the time as the sale of the century.

In fact, the estimates have run for the total package, including the development of bases, spare parts, other associated equipment, is rather larger than the one you have been talking about here today.

Mr. LEACH. Uh-huh.

Mr. ROWEN. But those are estimates of one sort or another. But I have seen figures——

Mr. LEACH. This is after the Saudis——

Mr. ROWEN. Seen figures in the order of \$30 billion.

Mr. LEACH. Yes, but this is after the Saudis offered to purchase here first.

Mr. ROWEN. That's after they were turned down.

CONTROLS ON U.S. ARMS SALES

Mr. LEACH. As a basic rule of thumb, do we have more controls than other sellers of equipment to Saudi Arabia?

Mr. ROWEN. I believe that that is the view. That is certainly our view and I think there is much to be said for that view because we do have certain controls. We know in fact that other countries insist on very little.

Mr. LEACH. And so in essence, when the United States turned down the sale, the Saudis went and bought elsewhere with fewer controls. In a geo-strategic sense, does that enhance or detract from the security of Israel?

Mr. ROWEN. Well, arguably it detracts substantially from the security of Israel because it is very clear that we have a greater concern for the security of Israel than any other nation, major nation—any other nation really in the world, outside of Israel itself.

As a measure, by the way, of what happened, the share of weapons provided to Saudi Arabia by the United States went from 80 percent in the late 1970's or the 1980's—

Mr. LEACH. This is under President Carter, the 80 percent.

Mr. ROWEN. Right, and it went to about 30 percent.

Mr. LEACH. Based on Congressional decision.

Mr. ROWEN. Because they were turned down on the sales.

Mr. LEACH. I see.

Mr. ROWEN. So we just basically lost the business to others who provided the weapons.

Mr. LEACH. Were these perspectives that were presented to Congress at the time, or were these prospective judgments?

Mr. ROWEN. I have not looked at the record, but I would be very surprised if our predecessors here did not point out the consequences of the turn-down of these sales.

DID CONGRESS MISREAD SITUATION

Mr. LEACH. Do you think there is any possibility, that just as many in the world community including the Department of State, might have mis-read Saddam Hussein's intention over the last year, that possibly the Congress over the 80's might have mis-read the likelihood of regional aggression in the Middle East that didn't include Israel, but which would have the affect of jeopardizing Israel?

Mr. ROWEN. The record, I believe, is quite clear that the dominant concern about sales of American weapons to the Gulf states, including Saudi Arabia was the impact on Israel and not the impact on Saudi Arabia, Saudi Arabian security or that of the Gulf countries.

Mr. LEACH. Well, I raise this just from this perspective. I don't think that there is a member of Congress that isn't intimately concerned with the security of Israel. But I do think some of the judgments of Congress that were done for the sake of Israel may not have had the effect of protecting Israel, but did have the effect of jeopardizing certain American jobs. In addition, they might also have had the effect of not expressing some of the kinds of will in the region that maybe all of us in this Congress, in retrospect, would like to have reflected to those parties that might have considered whether or not they could aggress with or without a concerted American response.

Is that conceivable?

Mr. ROWEN. I think it's conceivable, sir.

OBJECTIVE OF A NEW WORLD ORDER

Mr. LEACH. Yeah. Let me just ask you one question about both of your statements, if I could.

You both very carefully outlined the four objectives of the United States in the region. You do follow Presidential statements, I take it, at both the Department of State and Defense.

When the President of the United States addressed a modestly significant body, the United States Congress recently, he outlined a fifth objective very carefully, added to the prior four, the objective of fostering a new world order.

You would concur that that is still the policy of the United States. It was an accident or was there some reason that you didn't include this objective?

Mr. ROWEN. I didn't state it quite in the list with the others, but I alluded to it.

Mr. LEACH. Okay.

Mr. ROWEN. By suggesting that the outcome of this crisis will define acceptable international behavior.

Mr. LEACH. I see.

Mr. ROWEN. That's definitely included.

Mr. LEACH. And Mr. Kelly.

Mr. KELLY. You are absolutely right, the President did use that before the joint session and certainly that is still a statement that he stands by and we stand by.

PUTTING ARMS SALES INTO PERSPECTIVE

Mr. LEACH. I only underscore it because it was the most interesting nuance to the Presidential statement and one that I suspect was very firmly felt, and I think as an articulated policy of the President, it should become the articulated policies of both the Department of State and the Department of Defense.

Let me just conclude by saying that again, I feel very strongly that some of the future purchases considered by the Saudis may be a bit high, but I have grave doubts that we are going to influence the decision-making on whether or not they buy that level of purchases, and I do think we have an American national interest to consider. I don't think we should be apologetic about expressing it, to foreign societies to buy American, and an American national interest to have whatever controls that we consider to be in the American national interest, if those are strategically important kinds of sales.

So I would hope that this Congress recognizes that we may control what we sell, but we don't control what others decide to buy.

Finally, let me just say that all of us are convinced of the need to keep Israel strong and I think whether it be weeks before this crisis might be resolved, or in the weeks after it is resolved, we are going to have to look quite seriously at the balance that some of these purchases may imply.

That could mean developing a new arms relationship with Israel. It could mean doing something about past Israeli liabilities, but

there are all sorts of new equations that are occurring in the Middle East and it strikes many of us that this may be a relatively surprising crisis, but it also could be a shocking opportunity.

In terms of ensconcing the stability of Israel, the future of Israel, it could in the end measure have enormously positive effects and I think that the entirety of this Congress will be very supportive of that kind of movement and that kind of direction.

Thank you, Mr. Chairman.

Mr. HAMILTON. Mr. Smith.

OUR INTELLIGENCE AND OUR COMMITMENT

Mr. SMITH of Florida. Mr. Kelly, you characterized our policy as not being successful, as opposed to being wrong. Unfortunately, although semantics are part of the diplomatic currency, the reality is that it leads to the same conclusion, whether it was wrong or whether it was unsuccessful. We find ourselves in a position we might not have found ourselves in. That possibility does exist.

It is very dismaying to members of Congress to understand how much intelligence analysis was done and how much intelligence there was available to us which was then mis-read, and that the policy that we were pursuing was so unfortunately on the wrong side of the issue, or at least was unsuccessful.

Notwithstanding that, given the fact that we are where we are now, and there has been an enormous movement of men and women and material to the region to help Saudi Arabia at Saudi Arabia's request, and I think we must not forget that this is the premise on which we are there. Am I correct? This is at Saudi Arabia's request. We did not have any mutual defense treaty or anything of that nature, as you have testified.

I think then we ought to be able to explore what our new commitment, based on this request, is going to entail for us.

If I am not mistaken, our commitment is to defend and to deter, is that correct?

Mr. KELLY. In a nutshell.

Mr. SMITH of Florida. Can you tell me what you mean by defend and deter?

Mr. KELLY. Defend Saudi Arabia against aggression from Iraq, and to deter Iraq from undertaking such aggression.

Mr. SMITH of Florida. All right, and that deterrence takes what form?

Mr. KELLY. The deterrence takes the form of—

Mr. SMITH of Florida. Since the military is there to defend, although it has the extra added advantage of deterrents, I would assume if he was going to move into Saudi Arabia, he would rather move against only Saudis as opposed to 150,000 other people, but beyond that deterrence of on the ground presence, what deterrence is there that we are currently engaging in?

Mr. KELLY. Well, there is the deterrence of the forces on the ground that you rightly pointed out. There is the deterrence of statements of declaratory policy of what would be the reaction of the international community in the event of the aggression.

There is the deterrence of the United Nations Security Council Resolutions and resolutions in other international groups like the

European Community or the Arab League, the various statements that were enumerated.

Mr. SMITH of Florida. And these are all separate and apart from our desire in addition therefore to have Saddam Hussein leave Kuwait and have the al-Sabah family restored, etc., the four points that the President enunciated.

They are separate and apart, are they, from the commitment to defend Saudi Arabia and deter aggression against Saudi Arabia from Iraq.

Mr. KELLY. That's right, but restoration, as you pointed out, of the legal government of Kuwait is an American objective.

Mr. SMITH of Florida. And if therefore they are, in fact, separate, does that mean we will not use force to have those four enunciated points made by the President enforced?

Mr. KELLY. The President has said he is not going to rule out any options. He is not going to rule them in either, or get into discussions of contingencies, what if's.

Mr. SMITH of Florida. All right, now the defense commitment to Saudi Arabia applies to any aggression against the Persian Gulf states, or only to Iraqi or Iraqi inspired aggression?

Mr. KELLY. Certainly the great focus of attention now, in this crisis, is Iraqi aggression.

PAST ARMS SALES TO SAUDI ARABIA

Mr. SMITH of Florida. About two months ago we had a hearing on the resolution of disapproval which I filed with reference to the previous Saudi arms sale for the purpose of at least having a discussion about it, and at that time members of the administration, including State Department and Defense came up.

In response to a question by me, they indicated that the weapons that were going to be sold under that \$4.4 billion sale were going to be used, if used at all, to deter or defend against aggression by Iran.

After scraping myself up from the floor, because previously, eight months previous to that, your department had told us how Iraq was the number one enemy of Saudi Arabia, and had then changed its mind while Iraq got stronger and Iran got weaker, I asked if that was the current analysis. We are talking about two months ago.

And the current analysis was then that Iran was the primary enemy of Saudi Arabia, and the country most likely to be an aggressor, I guess, in the short-term. Nobody can think out for years.

Can you tell me how we failed so miserably in light of not only what we knew then, but in light of the events now that we could not determine that the number one enemy just two months ago of the Saudi Arabian people and government was the Iraqis? And why, in heaven's name, your people came here and defended an answer that Iran was the number one enemy without any real capability to wage a war at this time, across the Gulf?

How did that happen, Mr. Secretary?

Mr. KELLY. Mr. Congressman, probably the toughest thing to estimate are intentions and even the Kuwaitis didn't estimate the

Iraqi intention right, although they had the most to lose and were closest under the gun.

So it is a very hard thing to be able to read somebody's mind, to know whether they are going to go and do something as contrary to international law as invading a neighbor.

Mr. SMITH of Florida. But there was a distinct possibility that it could be Iraq, correct?

Mr. KELLY. In hindsight, absolutely.

WERE AMERICANS WARNED TO LEAVE

Mr. SMITH of Florida. Hindsight again. What about the Americans that are now in Kuwait, that are now hostages, that prior to the invasion should have been warned to get out because there was the very strong possibility, although we did not believe it would happen, there was a strong possibility that there might be an invasion? What about them? Didn't we owe them an obligation?

Did anybody warn them to leave?

Mr. KELLY. Certainly, when we introduced military forces into the Gulf two weeks before the August invasion when we—

Mr. SMITH of Florida. You mean the operation with the—

Mr. KELLY. With the United Arab Emirates.

Mr. SMITH of Florida. The UAE.

Mr. KELLY. That's right. There was a whole series of public statements about rising tensions in the Gulf, but you are correct, Congressman, in stating that nobody divined correctly the intention of Saddam Hussein.

Mr. SMITH of Florida. You mean, we should have allowed for the fact that by deductive powers, those Americans then currently in Kuwait should have divined from the fact that we were holding a joint operation with the people of the UAE, that they should leave Kuwait?

Didn't we owe them a little something more affirmative?

Mr. KELLY. Congressman, I am not arguing that. I am arguing that as the record is clear, nobody correctly predicted it.

Mr. SMITH of Florida. All right, nobody correctly predicted it. Now they're there. They are on the ground and they are stuck.

I must be working on a different clock than everybody else around here. One of these hostages, at least, has been shot, that we know of.

Mr. KELLY. That is correct.

WHAT TO DO ABOUT HOSTAGES

Mr. SMITH of Florida. We know some have been kidnapped and moved to Baghdad. We know some are human shields in places where he has chemical or other factories or installations.

What do we intend to do about these people? What is the current administration policy, other than to keep asking him, as he pokes us with a sharp stick in the eye like offering free oil to all Third World Nations if you can get it and you can't get it because the U.S. won't let you, what is our policy vis-a-vis our own hostages?

There are a couple thousand of them that are owed by this Government more responsibility than we owe to the Saudis or the Kuwaitis or anybody else in the world.

Mr. KELLY. The President has stated publicly his concern for the safety of those Americans. We have been working day and night for seven weeks to try to get them out, and we've had some but not sufficient success.

When this crisis started, there were probably in the neighborhood of 3,500 or so Americans in the two countries. The number is now down to about 1400, but you are right, he is——

Mr. SMITH of Florida. He doesn't know what to do, does he?

Mr. KELLY. He is not susceptible to any——

Mr. SMITH of Florida. There is nothing wrong with that answer.

Mr. KELLY. He is not susceptible to any moral pressure.

Mr. SMITH of Florida. It's a terrible problem.

Mr. KELLY. The international economic sanctions are working and are biting. They are remarkable in their effectiveness, but that is a slow weapon. We are going to keep the pressure. We are hoping to get a few more plane loads out this week.

POSSIBLE SALE TO BRAZIL

Mr. SMITH of Florida. Mr. Chairman, I appreciate it. I would just like to ask one question.

Two things are very important right now that are currently going on and I would like your response to them from the State Department's point of view.

Number one, we are currently considering the sale, of a very inexpensive—\$400,000—IBM computer to Brazil. We know Brazil, you know the whole ramifications. You know about Brazil dealing with the Iraqis, you know all the connections, you know their military advisors are there, you know they have been helping Iraq develop weaponry and missile launch systems and the like.

This computer is extremely important in that regard. Is it the position of the State Department right now to approve or disapprove of that technology being sent to Brazil?

Mr. KELLY. Is this the super computer?

Mr. SMITH of Florida. Yes. It is not a question of jobs. It is a \$400,000 sale.

Mr. KELLY. I don't know what the current position is. Let me find it out.

Mr. SMITH of Florida. Has anyone asked you as the head of the Near East Bureau, what your thoughts would be on selling that super computer to Brazil, who has a proven track record in recent past of sending technology to Iraq, to upgrade their missile capability?

Has anyone asked you?

Mr. KELLY. Indeed, they have.

Mr. SMITH of Florida. But then you don't know the position of the State Department? What's your position?

Mr. KELLY. Let me say two things. One, anything that can contribute to the Iraqi military machine or weapons of mass destruction, we are going to be doing everything we can to impede.

Secondly, I have been traveling for 11 or 12 days so I am not up-to-date on what the latest thing is, but I know, my opinion on this was solicited a couple of months ago. Whether or not the State De-

partment has reached any decision, I don't know, Congressman, but I will find out and let you know.

[The information follows:]

The State Department favors the sale of this computer. The license application is for an upgrade to an IBM mainframe computer that has been in operation at Embraer for some years. Embraer has legitimate needs for upgrading the performance of its mainframe computer for its aircraft design work. We are now considering details of an adequate security plan.

Mr. SMITH of Florida. Are we currently providing the basis for giving support to a lot of countries in the region who have been harmed by their work?

Mr. KELLY. I'm sorry.

Mr. SMITH of Florida. A lot of the countries in the region are being harmed by their effort vis-a-vis the Iraqi blockage—Turkey and a lot of others.

Saudi Arabia and other countries are supposedly going to step in and pick up some of that money that they have lost, am I correct?

Mr. KELLY. Yes, sir.

POSSIBLE ASSISTANCE FOR JORDAN

Mr. SMITH of Florida. Are we currently supporting money to go to Jordan?

Mr. KELLY. No. As I said in my opening statement, Jordan's economy has been hit hard. Our position is we hope that Jordan is going to distance itself from Iraq, and it's going to comply with all the U.N. sanctions.

But I mentioned specifically in my statement Turkey and Egypt as countries that were already moving forward. Jordan, we hope we are going to be able to cooperate with and they are going to come through.

Mr. SMITH of Florida. But we are not recommending to Saudi Arabia or Japan or any other country providing some dollar resources, that they be given—they, the Jordanians—be given some—

Mr. KELLY. We have said that when Jordan joins the Arab League majority and when it enforces the sanctions, certainly we want them to be included as one of the beneficiaries.

Mr. SMITH of Florida. Thank you. Thank you very much, Mr. Chairman.

Mr. HAMILTON. Mr. Smith of New Jersey.

CANNOT BLAME UNITED STATES FOR ATTACK

Mr. CHRISTOPHER SMITH. Thank you, Mr. Chairman and Secretary Kelly and Secretary Rowen, welcome to the committee.

Mr. Chairman, I would like, at the outset, to make a point and then ask a couple of questions.

You know, Mr. Chairman, while Congress has a clear and compelling responsibility to get to the bottom of any issue, I happen to believe that it is profoundly unhelpful and unfair, particularly at this juncture in the crisis, for any of us to impute or to imply a measure of blame regarding the outrageous and unprovoked Iraqi aggression on the Bush administration.

I think the not so subtle impression that I'm getting, and I hope that impression that is incorrect—from some of the comments that have been made at this hearing, that somehow our Ambassador gave Hussein the green light. Let us recognize the unpredictability of this man and the fact that even the Kuwaitis themselves, the Soviets and the rest of the Arab countries including President Mubarak all thought that his intentions were something other than hostile, and that he was not contemplating an invasion.

It would be wrong to suggest that a comment made, if that comment indeed was correct, by our Ambassador, somehow was a trigger which led to this absolutely outrageous invasion. I hope that that's not the line that some members of this committee are taking, because I think it would be very, very unhelpful in this crisis.

SAUDI TROOPS

Secretary Rowen, exactly what are the Saudis contemplating in terms of a call-up of their own defensive troops? How many troops do the Saudis have in place at this juncture?

In a country with a population of approximately 12 million people—at least that's my understanding—and about a million guest workers, what do you see as their potential, their end strength?

One diplomat suggested to me that they were thinking along the lines of 400,000 troops but no word was given as to where they hoped to achieve that end strength.

If you could, please comment on that.

Mr. ROWEN. You have raised a very important point because there has been much discussion in this committee at the beginning and since, about their desire to buy weapons. This is part of the build-up of their military establishment.

They have had a very small one. The size of their ground-force has been about 77,000 people. That's both the regular Army and the National Guard. That's tiny by comparison with Iraq alone which has upwards of a million men. It is roughly ten times as many men in the armed forces of their hostile neighbor to the north.

The Saudis recognized, and I think they admit that they recognized this late, and it came as a great shock to them, that they had a big security problem, a huge security problem, and in addition to calling for help from us and from any other countries, they are now in the process of building up their own armed forces, particularly their ground forces.

They had earlier given a lot of emphasis on air, which is understandable, I think, given their basic size of population and all, but now they realize they have to have a bigger army, and so what we are seeing in this request for weapons is simply a desire to expand the size of their army.

I don't know what the end position is. I have not seen a description of their proposed overall forcestructure, but 77,000 is obviously very, very small and they will have to build it up. 400,000 seems like a pretty big one, but I don't know if that's correct.

But certainly there has to be a large expansion and there will be, and they are going to get their weapons from some sources, as Mr. Leach pointed out earlier.

KUWAITI ASSETS

Mr. CHRISTOPHER SMITH. Secretary Kelly, what is the current size of the Kuwaiti assets? How liquid are they? How much access does the current Government in exile have to them, and how much has Hussein seized?

Mr. KELLY. Congressman Smith, in the early morning hours after the Iraqi invasion, the President issued an executive order which both froze Iraqi national assets, and Kuwait assets.

The reason he froze Kuwaiti assets was to prevent the Iraqis from, if you will, looting the Kuwaiti assets in that they had seized control of some of the financial institutions in Kuwait.

I don't know how much in terms of liquid assets were in banks in Kuwait which were stolen by Iraq. Worldwide Kuwait has a great many investments, probably on the order of \$50 or \$60 billion in investments outside of Kuwait and around the world, investments in a tremendous diversity of economic undertaking.

The Kuwaitis, because of the international action to prevent the Iraqi looting of those assets, have maintained control of virtually all—I would say 99 percent of their assets at least around the world.

Simple calculations on return on investments give you something of the order of what might be available to them on an annual basis.

Now obviously they are facing some tremendous costs in terms of supporting the displaced Kuwaiti population which has fled, of raising, improving and reorganizing elements of the Kuwaiti armed forces which left Kuwait and are in Saudi Arabia, and a lot of other financial responsibilities.

But the impressive thing is that the Kuwaitis have made it very clear that whatever financial resources they have, they are going to be devoted to this task of repelling Iraqi aggression.

For instance, they have made aircraft from Kuwait airlines available to the United States Department of Defense. They have chartered ships for us, etc. They are, as they properly should be, in the heart of the struggle to make this international undertaking a success.

IS IRAN COMPLYING?

Mr. SMITH of New Jersey. I would just make a point, particularly considering this crisis that we find with the budget. While the President and Secretary Baker have done an outstanding job in spreading the responsibility-sharing of acquiring additional funds from various countries, including Kuwait and Saudi Arabia, sustainability of the policy in the long-term is enhanced if even more funds are procured.

I trust that message is understood at the State Department and I would strongly urge that it be sent and be concurred with by this subcommittee.

One final question—I do have a number of others, but there is a recorded voting in progress over on the House floor which I will

have to leave to make—Mr. Secretary, is Iran in compliance with the U.N. Security Council resolutions concerning the economic embargo of Iraq?

We hear some talk that the Iraqis are exchanging some 200,000 barrels per day with the Iranians.

Mr. KELLY. My understanding is that they are in compliance. There may be some leakage across the border, a truck or two, something like that, some smuggling, but the Iranian Government announced as soon as the U.N. voted the economic sanctions, that they were going to comply.

Now, there has been some newspaper commentary in Iran in the last week that they may not do so, but the evidence as available to me indicates that Iran is still complying with the economic sanctions against Iraq, and we hope that they will continue to do so.

Mr. SMITH of New Jersey. Finally, just for the record, I think again it would be most unfair if somehow the invasion of Kuwait were construed to blame the United States.

Hopefully my impression of the stalemate is false, but if we were to see a crescendo of thought built in this country that somehow we were to blame, I think one, it would not be justified, but secondly, it would be most hurtful to the sustainability of this policy.

So at this point, the committee stands in recess.

[Recess.]

WHO IS IN CHARGE OF TROOPS

Mr. HAMILTON. The subcommittee will resume its sitting.

While we are waiting for Mr. Levine to come, Mr. Rowen, I wanted to just ask you a couple of questions with regard to the military situation in Saudi Arabia.

Who is in charge of the military operations in Saudi Arabia? Is it the United States Commander or the Saudis?

Mr. ROWEN. Mr. Chairman, the United States Commander is in charge of the American forces, and the Saudis have their own command structure.

I believe that arrangements have been made with regard to the other Arab forces to have some command relationship with the Saudis, but I can't give you a good description of that.

Mr. HAMILTON. Can the U.S. Commander engage in hostilities without Saudi concurrence?

Mr. ROWEN. Mr. Chairman, the U.S. Commander can and in accordance with our normal procedure, engage in activities in self-defense of our own forces or our own people. That is to say they can defend themselves.

Mr. HAMILTON. But they could not, for example, of their own accord initiate an attack on Kuwait.

Mr. ROWEN. I believe that that is correct.

Mr. HAMILTON. And when we get the British there and the French, has that relationship been worked out?

Mr. ROWEN. I am not familiar with the arrangements for those other forces.

COORDINATION OF TROOPS

Mr. HAMILTON. All right, and is there cooperation then and coordination between U.S. Forces, on the one hand, and the Syrians and the Pakistani and the Bangladesh and the Egyptians? Is that worked out?

Mr. ROWEN. Yes, I believe that it is, and the commanders in the field are making such arrangements as are necessary to deal with the matters they have to deal with.

Mr. HAMILTON. And you are fully comfortable with the rules that have been worked out so that you think that U.S. objectives and commitments can be fully discharged.

Mr. ROWEN. Yes, indeed.

Mr. HAMILTON. Mr. Levine.

CURRENT VIEWS OF MEMBERS

Mr. LEVINE. Thank you, Mr. Chairman. Mr. Chairman, I was talking privately to Ambassador Kelly for a moment or two before I came up here, and I want to just repeat part of that conversation because at least it's important to me.

I mentioned to Ambassador Kelly that I have a very high personal regard for him, which I do. I hope that it's clear that the extent to which I express a number of very deep concerns that I have come from a very profound disagreement in terms of this administration's policy. I believe that Ambassador Kelly is simply acting on behalf of the Secretary of State and the President, doing what he is charged with doing as the point person in the Middle East. But I have a profound disagreement, as I am sure is clear, with a number of the lenses and perspectives through which this administration has viewed the Middle East during the entire time that it has been in office.

Ambassador Kelly did say to me, how are we doing since August 2nd? I said to him extremely well. I believe, as I have tried to emphasize repeatedly, that this administration's response to the Iraqi invasion of Kuwait, once the Iraqis actually crossed the Kuwaiti border, has been superb both in terms of the President's ability to mobilize the international community, and in terms of his ability to lead our own country.

ATTITUDE TOWARD ARMS SALE

But I must say that I was shocked when the monster arms sale came crashing down the pike, where just about every weapon known to man, or at least to the United States military, got squeezed into a at least rumored \$20 to \$25 billion package. The package waived the pre-notification procedures, and it is abundantly clear that the overwhelming majority of those weapons, if not all of them in this package, go well beyond the needs of this current crisis. They really cannot be justified in terms of this current crisis.

That then triggers again for a number of us, the discomfort and the concerns that so many of us have developed over the course of the past year and a half with regard to the lenses through which this administration is looking at the region.

We have seen an administration that has looked the other way, as Saddam Hussein has engaged in one reckless and outrageous act

after another. Despite legislation through the Congress, and despite entreaties from people in a variety of areas, particularly in the human rights community and a number of us who have been close observers of the Middle East, these policies have continued. I am worried, and I believe I am speaking for others, that this attitude of concluding that the enemy of my enemy is my friend will cause again overly rose-colored glasses to be placed upon policy-makers in terms of the judgments that they affix to people in the Middle East whose conduct in a range of areas—terrorism, human rights, and a range of American interests—just doesn't justify it.

This Saudi arms package would have gotten through this Congress without hardly a mention if it were even within the bounds of credibility. When the President came to the Congress several weeks ago and suggested an emergency package, there was not a note of dissent raised because we came to the conclusion that there were some items in it, that even though we had some concerns about, could potentially be relevant to the operation at this point in time.

And in terms of the last package, that a number of the people in the administration came up here and testified to, I agree with my colleague, Mr. Smith. As he said the case wasn't made very well, and the threat was defined in a curious way, but we didn't aggressively try to defeat that package.

SIZE OF PROPOSED PACKAGE

We have, over the years, allowed some \$30 billion worth of arms to go through, with some very modest and minor modifications. But when a package that is \$20 to \$25 billion of items which are going to be delivered well after this crisis hopefully will be resolved, gets sent forth under the fig leaf of a crisis in an effort basically to stuff every item that has been in an administration and in a Saudi wish list for a long time but which a number of us have raised legitimate questions about, this is something that you just can't look the other way about.

I just voted on the floor. We had to go down for a vote and several of my colleagues who are not on the Foreign Affairs Committee walked up to me and said what can we do with regard to this package? This strains credibility. How can we weigh in in terms of letting the administration know that they have gone too far on this one?

And the reason I get into this is because we want to be helpful. We want to be supportive. We clearly support administration policy in terms of deterring Iraqi aggression and trying to get Saddam Hussein out of Kuwait and defanging Saddam Hussein as Secretary Baker and President Bush have so eloquently and persuasively suggested we must do.

We do not wish to inject a sour note into this. It is very important that Saddam Hussein understand that the nation is united in this effort, as we are, and that the support for the administration is bipartisan, as it is.

But at the same time, without taking anything away from those statements, to use this crisis as an effort to stuff enough weapons into the region that the qualitative balance will inevitably be

eroded, that the balance of power in the region is likely to shift, that raises very troubling implications about just where this administration is coming from in terms of its perceptions of the region. This raises anew all of the questions that so many of us were concerned about.

One of the reasons, Mr. Ambassador, that you hear this discomfort today is as a result of a \$25 billion arms package which overreaches and which muddies the water after you are doing collectively such a superb job from August 2nd on until this package was suggested.

Let me just raise a couple of questions. Secretary Baker came down here a week or so ago, and talked about collective security to contain Saddam Hussein.

I think he put on the table for the first time before the full House Foreign Affairs Committee at the time of his testimony this notion of collective security.

He analogized it to NATO. I think the analogy is flawed, but without getting into that, I am curious as to just what he means about collective security, who would be included, how would it work, who would be contained, and how would the containment work.

What is the administration's thinking with regard to this collective security mechanism in the post-immediate crisis that Secretary Baker is floating both domestically and internationally, post-immediate crisis?

THE SAUDI ARMS PACKAGE

Mr. KELLY. Thank you, Congressman. Let me say a couple of sentences about Saudi arms and then address your question about a security structure in the Gulf region.

First of all, the administration is beginning the process of consultation on another package for arms for Saudi Arabia and you and your colleagues will, indeed, be consulted and your views will be taken into account.

Mr. LEVINE. Let me just say that I did receive a call from the Secretary's office today during an earlier hearing of another committee, and I appreciate and welcome that. I would have preferred to hear about it before I read about it in the newspaper, but I do appreciate that. I think it is a very important step in the right direction.

Mr. KELLY. Thank you, Congressman, so the administration is going to be consulting and we are interested and take seriously the comments that you and your colleagues have made, and that is what the consultation program is about.

Now, the President has not signed off on a second package for Saudi Arabia, and will not do so until the consultations have been completed.

You mentioned the qualitative edge for Israel in the region, and let me say, because it needs to be said, that there is no question about our commitment to Israel's security and that there is no question about our commitment to maintaining a qualitative edge for Israel in the region. That is in our minds and we are going to be working with Israel on a security package for them.

So the administration is mindful of the regional balances. Now, speaking of regional balances, that gets to your second—

ISSUES BETWEEN ISRAEL AND UNITED STATES

Mr. LEVINE. Can I just comment very briefly on this point? It is extremely significant and I don't mean to belabor it.

I am reassured to hear your commitment, as I was reassured to hear Secretary Baker's and Secretary Cheney's commitment.

The reason that so many people are so concerned about this is because this is an administration that has gone out of its way to keep Israel at arms length before this crisis. I think its policy of having Israel maintain a low profile during the crisis makes sense. I don't second guess it. I agree with Mr. Leach that this is a crisis that would have occurred whether Israel were in the region or not, and that's one of the most important and salient conclusions to reach from it.

Iraqi aggression against Kuwait had nothing to do with Israel.

But Mr. Kelly, we, the Secretary and I have been through this time and again. The fact of the matter is, the level of trust between Jerusalem and Washington for a number of sad and unfortunate reasons, has dropped.

This crisis should be an opportunity to raise it. Even if the conversations are private, even if the reassurances are private, even if the meetings between American and Israeli officials are private, this is an opportunity to reassure our friends in Israel who have been on the line for the United States as our most trusted and reliable and vulnerable ally in the region, that this commitment is not rhetoric but is reality.

For Israeli officials to have to plead with the United States for reassurance is unsettling and discomfoting in light of the track record that this administration has established with regard to Israel over the course of the past year and a half.

We shouldn't beat around the bush about it because it is so important. I won't belabor it because this is an opportunity for the administration to correct it with actions and reassurances that go beyond rhetoric.

SECURITY STRUCTURE

Mr. KELLY. Well, let me say, Congressman, that clearly I disagree with your characterization of this administration's relationship and dealings with Israel, and certainly the statements that have been made in the context of recent visits—Mr. Levy two weeks ago, Mr. Arens this weekend about American/Israeli cooperation.

I think our testimony is to the fact that we have been cooperating well.

I certainly agree with you that Israel's low profile during this intra-Arab crisis has been a prudent act of statesmanship and certainly we applaud that, and we have had good conversations and good contacts with the Government of Israel.

Your question relating to a security structure for the region which Mr. Baker mentioned in his testimony before the full committee a couple of weeks ago, Mr. Baker mentioned NATO in the

context of citing that as a successful example of a regional security structure which had worked.

We did not mean to imply that NATO is a model for the Gulf, or that somehow NATO should be extended to the Gulf.

The point that the administration has been making in our conversations with friends in the Middle East and in Europe, and that we want to make on the public record, is that clearly some sort of security apparatus would be useful to prevent against a recurrence of this kind of naked aggression.

We are not convinced that we have necessarily a particular formula which is a successful one, but we do think that it is a serious proposition and that it is a proposition that the states in the region and outside of the region should be thinking about, even as we go through this crisis right now.

ROLE OF ISRAEL

Mr. LEVINE. Does your formulation of this collective security mechanism include Israel as an integral part of it?

Mr. KELLY. We don't have a specific formulation, but clearly security involves all the states in the region, and that involves Israel too.

As some commentators have pointed out, this crisis may result in a lot of realignments in the Middle East, and there may be some opportunities that flow from the crisis.

Mr. LEVINE. Mr. Chairman, if I could just ask two follow-up questions and then you won't have to come back to me on the second round.

Mr. Ambassador, it would seem to me that in light of this answer, and I also share your hope that this crisis will provide for an opportunity for realignment, one of the most frustrating aspects of the Middle East has been the reluctance of Arab states to acknowledge Israel's right to exist.

I would assume that we would use this as an opportunity to redouble our efforts to reverse that problem which is at the root of so much of the instability in the region. Do you have any thoughts about that?

Mr. KELLY. Well, the same thought that you have suggested has occurred to us. We have discussed it with Israeli ministers and we have discussed it with states in the region.

Mr. LEVINE. Let me just—

Mr. KELLY. It's not—

Mr. LEVINE. Yes.

Mr. KELLY. It's not a new item on the agenda.

LONG-TERM PERSPECTIVE ON ARMS SALES

Mr. LEVINE. Let me conclude with just one point which can best be deferred at great length to the beginnings of the consultations on the arms sale. I understand the consultations will occur at least in a closed session before the full committee tomorrow, as well as some private briefings.

One point that I want the record to reflect in this context because it has been raised by some of my colleagues whom I respect and it was raised by you at least privately and I know this is some-

thing in the minds of administration's representatives, is this whole issue of jobs.

I must say that if anybody reads the Arms Export Control Act, it should be abundantly clear that the principal purpose of our arms export policy is to enhance American foreign policy objectives, including arms control.

I would just like to suggest that if there is any activity that we have seen in the course of the last decade that underscores the folly of an unrestrained arms sales policy, it is the crisis that we are undergoing at this point in time.

All of the arms in the world didn't save Kuwait. They are in Iraqi hands today. I would simply put on the record that jobs, as important as they are, are not nearly as important as American lives, American interests, and American security in the region.

For us to allow the issue of sales of the most sophisticated weapons to deteriorate into side issues, and not focus on the lives and safety of Americans and the security of our friends in the region, and the advancement of American interests in the region, is doing a disservice to this debate.

That's why I am pleased that the debate and the review process will begin. I am pleased that it will not occur in the dark, as looked like was the case 24 hours ago.

Thank you, Mr. Chairman.

EFFECTIVENESS OF ARMS SALES

Mr. HAMILTON. Mr. Secretary, how do you assess the effectiveness of the sanctions at this point?

Mr. KELLY. Mr. Chairman, may I ask one question? What is your intention with continuing to proceed with this hearing?

Mr. HAMILTON. The House is going to be until 10 or 11 tonight. I was thinking maybe we would keep going. I've got a lot of questions up here.

Does the gentleman have commitments?

Mr. KELLY. I have postponed one meeting until 5:30 and I want to know whether I should send somebody out to postpone that.

Mr. HAMILTON. We will do our best.

Mr. KELLY. Thank you, sir.

Mr. HAMILTON. Okay.

Mr. KELLY. I'm sorry, your question was—

Mr. HAMILTON. I wanted to get your impression of the—and I know you have had a long afternoon, but a lot of it has been listening, not responding—I wanted to get your impression about the effectiveness of the sanctions. Can you quantify it for me? Is it 95 percent effective against exports or 90 percent effective against imports?

How would you state it?

Mr. KELLY. I think it's in the high 90 percentiles, in other words 98, 99 percent effective against Iraqi exports, in other words, oil going out which is their only real export earner.

Mr. HAMILTON. Right.

Mr. KELLY. With regard to shipments, goods, commerce going into Iraq, I would put it in the 90th percentile, not up to 99 percent but very, very effective.

COUNTRIES TO WORRY ABOUT

Mr. HAMILTON. Who are you worried about? Iran? Tunisia? Jordan?

Mr. KELLY. That's a good sampling, and I would add Libya.

Mr. HAMILTON. And Libya. And how long—the question we get constantly, of course, from our constituents is how long is it going to take until these sanctions bite? How do you respond to that?

Maybe you want to take a crack at that too, Secretary Rowen.

Mr. KELLY. I don't think anybody can say with any accuracy how long it will take to bite. We know that they are already biting because we know what's happened to prices in Baghdad and to availabilities on the local market in Iraq.

But how much before there are genuinely severe shortages, every expert you talk to has a different forecast. I don't know. Harry, do you have anything?

Mr. ROWEN. No, there really isn't a lot to add to that. As you know, Iraq imports about 70 percent of its food, at least in normal times it does, and it is obviously not able to—I think it is evident it is not able to import that which it is consuming now.

ISSUE OF FOOD

Mr. HAMILTON. Is food the biggest loophole in the sanctions?

Mr. ROWEN. I don't know that because there really aren't many loopholes. As Mr. Kelly has said, it is really a very tight system, but probably most of the stuff coming across is food, although some airplanes are flying in and one is not altogether sure what those airplanes are carrying. Perhaps it is military hardware as well.

ROLE OF JORDAN

Mr. HAMILTON. I wanted to, before turning to Mr. Gilman, ask about Jordan, particularly.

My impression is, Mr. Secretary, that the United States and the Western governments and the Arab countries are looking for performance from Jordan before we provide financial help.

My impression is that Jordan is looking for financial help before they enforce the embargo.

Is that approximately right?

Mr. KELLY. I can speak for the American position.

Mr. HAMILTON. Yes.

Mr. KELLY. Certainly we want to see performance and that's bound to influence the atmosphere of our ability as a nation to provide help, and it's going to influence other states who are in a position to provide help to Jordan.

Whether the Jordanians are looking for help now, they are certainly looking for immediate urgent help on the matter of refugees, and that they are getting.

Mr. HAMILTON. And we are supportive of that.

Mr. KELLY. And we are supportive of that, and the United States itself has pledged up to \$28 million for refugee relief in Jordan because that is an urgent humanitarian need.

Mr. HAMILTON. What do you think the performance of Jordan is now?

Mr. KELLY. On—

Mr. HAMILTON. On enforcing the sanctions.

Mr. KELLY. On enforcing the sanctions. I think it is good. I don't think it's total.

Mr. HAMILTON. Is it getting better or worse?

Mr. KELLY. The trend line is for the better from the indications we have.

Mr. HAMILTON. Truck traffic slowing down.

Mr. KELLY. Yes, sir. There are fewer trucks moving.

Mr. HAMILTON. Slowing into the Port of Aqaba.

Mr. KELLY. Ship traffic is way down into the Port of Aqaba.

Mr. HAMILTON. Are there any spare parts going from Jordan into Iraq?

Mr. KELLY. I suspect there are some, but given that all commerce is way down, it is probably much, much less than it used to be.

Mr. HAMILTON. Are they cooperating with the freeze on Iraqi assets?

Mr. KELLY. To a great extent, yes, sir.

Mr. HAMILTON. And you're encouraged, then, by the trend in Jordan.

Mr. KELLY. That is correct.

Mr. HAMILTON. It is a tough political problem for the King.

Mr. KELLY. It is, indeed.

Mr. HAMILTON. All right, Mr. Gilman.

SOVIET ROLE

Mr. GILMAN. Thank you, Mr. Chairman. I want to welcome Ambassador Kelly and Mr. Rowen before our committee.

I would like to inquire about the Soviet role. Have the advisors left Iraq now, or are they still there?

Mr. KELLY. No, Congressman, there are still Soviet advisors in Iraq. We have made it clear to the Soviets that we want to see those advisors out.

Mr. GILMAN. We have made it clear for a number of weeks now. What do they say? Are they going to pull them out, or are they going to stay on?

Mr. KELLY. Well, I think Gorbachev was asked that at his press conference a week ago, and he said that they are going to be coming out as their contracts end. We want to see them coming out more quickly than that.

Mr. GILMAN. What about the technicians? The summary reports say there are some 7,000 Soviet civilian and military advisors and technicians in Iraq. Are those figures accurate?

Mr. KELLY. I don't know whether that includes wives and children too, or not, Mr. Chairman. I can supply that for the record.

Mr. GILMAN. So at this point we don't know when they will be pulling them out. They are still there.

Mr. KELLY. That is correct.

[The information follows:]

Soviet Minister of Defense Yazov said publicly last month that there are now 149 military "specialists" in Iraq, down from 193 at the time of the invasion, and that they are leaving Iraq as their contracts expire. MFA spokesman Gremitskikh stated October 2 that "as many as 5,174" Soviet workers remain in Iraq.

Mr. GILMAN. There are still some Iraqis being trained in the Soviet Union, I understand.

Mr. KELLY. Of that, I am not certain, but I will check, sir.

Mr. GILMAN. Could you put that in writing for us?

Mr. KELLY. I would be happy to.

[The information follows:]

There are Iraqis in training programs in the Soviet Union, but we do not have a precise number. The Soviets assure us that no new training has begun since the invasion.

EFFECT OF ARMS SALES ON ISRAEL

Mr. GILMAN. With regard to the qualitative edge that Israel has had in armaments, will the new proposed Saudi Arabian arms sale take off that qualitative edge and place Israel somewhat behind militarily?

Mr. KELLY. Not at all, Mr. Chairman. As I said in response to an earlier question, our commitment to Israel's security is sound and permanent and our commitment to maintaining the qualitative edge for Israel exists, so that as we consult on any arms sale to Saudi Arabia, we will be mindful of that issue, and that we are working with Israel now on a security package for Israel itself.

Mr. GILMAN. When do you anticipate that proposal will be coming up to the Congress?

Mr. KELLY. My impression is in the near future, Mr. Chairman.

Mr. GILMAN. Have we agreed to sell Israel the Patriot missile and some additional F-15's?

Mr. KELLY. I don't think the details have been agreed. That's under discussion.

Mr. GILMAN. Are we examining an increase in \$1.8 billion in annual FMS assistance for Israel?

Mr. ROWEN. If I could—

Mr. GILMAN. I would be pleased to.

Mr. ROWEN. These points, of course, have been raised. There has been a good deal of press discussion about this. Everything is under consideration. The President hasn't really decided on these matters, but as Mr. Kelly said, you will be hearing soon.

I would just like to make a comment on your point on the Saudi package and the affect on Israel.

Mr. GILMAN. Please do.

Mr. ROWEN. As I mentioned earlier, and I think you were not in the room, the Saudi Arabia has relative to Iraq a tiny military establishment, and a particular tiny ground force.

It's less than one-tenth the number of people in it—77,000 versus three-quarters of a million or so in the Iraqi forces.

Now, the Saudis received a great shock on the 2nd of August. They did not expect, the Kuwaitis did not expect, none of the Gulf people really expected that that was going to occur. Then they suddenly realized with shock and horror, what they faced.

They faced the prospect of invasion themselves. They faced a really formidable foe. One might have said that they should have recognized it earlier, but they did at that point in time. They called for help and we and others have rushed to help.

They are now trying to improve their own self-defense capacity. That's not to say that Saudi Arabia in the foreseeable future by itself is going to be able to withstand an Iraq, but they are trying to improve their self-defense capacity.

The principal focus of this package that we have been discussing here is to improve the ground force of Saudi Arabia—many vehicles, trucks, armored, fighting vehicles, much of that sort of thing.

The idea is to expand and to upgrade the quality and the size of the ground forces of Saudi Arabia.

Now, this is clearly designed to deal with this really very formidable threat from the North. I think members of this committee in the earlier discussion amongst themselves pointed out something that was also true, that Israel is affected by anything that happens elsewhere in the Gulf. It is not unaffected by all of these developments.

But it is very, very clear that this is an effort by Saudi Arabia to be able to defend itself better, and so the turn—

Mr. GILMAN. I realize what the objective is. The question was does it detract from the qualitative edge?

Mr. ROWEN. Qualitatively, no. The weapons involved are not ones that are extraordinary in high technology. I wouldn't say they are all plain vanilla, but they are pretty much—you will find out in your session.

Mr. GILMAN. Good. We would hope then the proposed arms sale to Israel, that they will be able to maintain their independence.

Mr. ROWEN. We are very attentive to that.

Mr. GILMAN. By assisting them.

Mr. ROWEN. Yes, sir.

IRAN AND IRAQ

Mr. GILMAN. Iraq has agreed to Iran's terms at the Gulf peace talks and prisoners have been exchanged and the two states have announced a restoration of diplomatic relations.

Do you actually see an improvement between the two nations? Or is this going to be merely cosmetic?

Mr. KELLY. Well, clearly the Iranians were delighted when Saddam Hussein conceded to them everything he had fought an eight-year bloody war for, and they were glad to get all of their goals and their territory back.

And the two countries have upgraded diplomatic relations and so on.

Mr. GILMAN. Do you see a military alliance now between the two?

Mr. KELLY. No, I don't see any military cooperation at all, Mr. Chairman.

Mr. GILMAN. How about the statement made by the Ayatollah that confronting the greedy interventionists schemes of the United States to encroach on the Persian Gulf is considered a holy war?

Do you see that as representing Iranian policy and do you see that as affecting any of the other Arab nations?

Mr. KELLY. Well, I don't think it has much impact on the other Arab nations because of their mistrust for Iran, but you know, we have to take seriously a threat like that, an outrageous threat.

How much of that was for internal domestic consumption and how much of it was serious, remains to be seen.

Mr. GILMAN. During the course of your testimony, you said we will come to the defense of the Saudis, Oman, Qatar, Bahrain, the United Arab Emirates if they are attacked by Iraq.

What about if Israel is attacked? Is that included in that list?

Mr. KELLY. I think the longstanding American commitment for Israel is ironclad and dates from many, many years, Mr. Chairman.

NATURE OF INTELLIGENCE

Mr. GILMAN. Now, I may have missed the earlier question on this, but how do you assess the intelligence that we were getting out of that part of the world that left us hanging a bit, in not being prepared for what was happening?

Mr. KELLY. The intelligence in terms of knowing that there was a build-up was very good. The intelligence or the ability to know the intentions of Saddam Hussein was murky. I mean, that is the hardest thing in the world, to know what somebody intends to do.

So in reading their military moves, it was very, very good.

Mr. GILMAN. Was the analysis poor that you were receiving?

Mr. KELLY. No, sir. I don't think the analysis was poor. It was very, very difficult to know what was going on inside his head.

The Kuwaitis didn't think that they were going to be attacked the night that they were attacked. Nobody in the Arab world thought he was going to do it, and he was telling Mubarak and King Hussein and everybody else that he wasn't going to make that move.

Mr. GILMAN. With all of our sophisticated technology, we weren't able to intercept any communications that would indicate they were actually on the move.

Mr. KELLY. Well, I can't get into that in an open session. But the toughest thing in the world is to know intentions, to know what's inside the fellow's head.

Mr. ROWEN. Our technology is not able to, advanced as it is, is not able to penetrate his skull and figure out what was going on inside.

PREDICTING IRAQI ATTACK

Mr. GILMAN. Well, we understand that our own intelligence agency was sort of commending itself for having predicted the invasion. What do you have to say about that? Did we have some predictions, or didn't we?

Mr. KELLY. We certainly had a lot of information on the build-up. Again, knowing the intention was a different matter.

Mr. ROWEN. Let me just add a point. The intentions clearly were quite key, both capabilities and intentions. Capability was called quite accurately. Intentions was a big problem, but as Mr. Kelly said, this was a problem not only for ourselves, even after it happened, there were questions among some leaders in the area as to whether it was really serious, whether he might back out.

The Kuwaitis, of course, who had the most to lose, did not understand his intentions. Others did not. These were Arabs looking at this. So they were all working on a different theory, and we indeed

were, to a large extent, ourselves, and that was that he would coerce the Kuwaitis into paying a great deal of money.

That was the theory they were operating under, and that turned out to be wrong.

Mr. GILMAN. I regret that I am going to have to recess the hearing momentarily. Mr. Hamilton is on his way back from voting and I have to go vote, but he will be back in just a moment, so we stand in recess.

[Recess.]

EGYPT DEBT PROPOSAL

Mr. HAMILTON. The subcommittee will resume its sitting.

We have the proposal from the administration to forgive debt to Egypt. I wanted to ask you a few questions with respect to that.

That debt forgiveness proposal is limited in the administration's view only to Egypt, as I understand it.

Mr. KELLY. That is correct, Mr. Chairman.

Mr. HAMILTON. Why is the Egyptian case so unique?

Mr. KELLY. The Egyptian case is unique, Mr. Chairman, because they have already faced an immediate and dramatic cut-off of remittances from Egyptian workers in Iraq and Kuwait which is costing them about a billion dollars; because of their own defense outlays; because of their contributions to the joint effort have increased; because tourism which is one of their substantial sources of earnings is way down; because Suez Canal tolls, another substantial source of their earnings, is way down.

So the shock effect on their economy has been quite unique.

Mr. HAMILTON. Do you expect any other additional proposals relating to Egypt?

Mr. KELLY. On Egyptian debt, sir?

Mr. HAMILTON. Or more aid?

Mr. KELLY. Not that I am aware of right now, no, sir, Mr. Chairman.

Mr. HAMILTON. Why does your proposal bypass the authorization process?

Mr. KELLY. I believe because it is considered an emergency measure and so the fastest way to get action on it was to attach it, I gather, to the defense supplemental which was submitted last week.

OTHER DEBTS

Mr. HAMILTON. There are some \$65 billion in debts owed to the United States Government by foreign countries. Is it your position then that all debt relief for any other country is opposed by this administration, other than Egypt?

Mr. KELLY. We are certainly not entertaining any proposals as I understand it, Mr. Chairman.

Mr. HAMILTON. Well, you are not supporting any other debt relief either, are you, at this point?

Mr. KELLY. That's what I meant.

Mr. HAMILTON. At this point in time. Your proposal is, so far as you know anyway, at this point, the total proposal with respect to

Egypt. I mean, you are not thinking of any other forgiveness or any other additional aid.

Mr. KELLY. No, Mr. Chairman.

ADDITIONAL AID FOR ISRAEL

Mr. HAMILTON. You said earlier that you were considering additional aid to Israel. I think I heard you say that.

Mr. KELLY. That is correct, Mr. Chairman.

Mr. HAMILTON. Can you be more specific about that?

Mr. KELLY. As you know, the Israeli defense minister has just been in town and there was an Israeli delegation of several weeks ago which was talking about additional security needs for Israel.

We have not worked out a specific package for Israel, but have been and are discussing that with them now.

Mr. HAMILTON. Can you be at all specific about what types of things you are considering at this point?

Mr. KELLY. I don't think I can, Mr. Chairman, because I don't think the Executive Branch has taken a position, but I don't know. Harry, do you have anything on it?

Mr. ROWEN. It really is premature. We really are just in the throes of discussing this. The relevant secretaries have yet to come to closure on it, and the President has yet to look at it, so it is really a bit premature.

It will be up here quite soon, I am sure.

Mr. HAMILTON. Do you think it will be up here before we adjourn for the year, in another month or so?

Mr. ROWEN. Well, I feel confident that it will be.

Mr. HAMILTON. What's that?

Mr. ROWEN. I feel confident it will be.

Mr. HAMILTON. It will be.

Mr. ROWEN. Yes.

A REGIONAL SECURITY SYSTEM

Mr. HAMILTON. On the questions that Mr. Levine was asking earlier on the regional security system, is it your intent to present that proposal to us at some point down the line?

Mr. KELLY. We really haven't fleshed out a proposal yet, Mr. Chairman.

Mr. HAMILTON. I understand.

Mr. KELLY. When we will, of course, I think we would have to. We should.

Mr. HAMILTON. Are you talking here about some kind of a military force, ground force, naval force?

Mr. KELLY. Not necessarily, but since we don't have a specific concept yet, we see a need and we think that the need will or should be responded to by states in the region and states outside.

As to how that need should be responded to, in terms of a security arrangement or structure, we are at the only beginning stage of our reflections.

Mr. HAMILTON. Are you discussing this proposal now with the Arab countries?

Mr. KELLY. We discussed the need on the trip we just concluded, Mr. Chairman, that once this crisis is resolved, that obviously we

and they ought to think about means that might help prevent a recurrence.

Mr. HAMILTON. They were receptive to that.

Mr. KELLY. Frankly, they were somewhat apprehensive by the press reporting that we were talking about NATO in the Gulf, so they were questioning about that.

Mr. HAMILTON. They still have a lot of doubt about U.S. military presence after this confrontation is over.

Mr. KELLY. I don't think they do because they have heard what the President has been saying about the fact that he wants to bring our forces home, meaning our forces on the ground in Saudi Arabia.

It is our intention to keep the Naval presence in the Gulf, but not to maintain a permanent ground presence there.

Mr. HAMILTON. Such a security arrangement would be there for an indefinite period of time.

Mr. KELLY. In our thinking, it would be, yes.

STATUS QUO AND DEMOCRACY

Mr. HAMILTON. Would one of its purposes be the preservation of the status quo?

Mr. KELLY. It would be to preserve stability and try to prevent recurrences of aggression.

Mr. HAMILTON. But not to preserve the status quo necessarily.

Mr. KELLY. Certainly the status quo in terms of the states and territories of the area.

Mr. HAMILTON. Well, what about in terms of their political structure?

Mr. KELLY. The idea, the concept that we have been discussing has not, in our thinking, gone to the nature of the political structures in the country.

Mr. HAMILTON. One of the cardinal features of our foreign policy over a period of time, of course, has been its support of pluralism and democracy.

Mr. KELLY. That is correct, Mr. Chairman.

Mr. HAMILTON. And those tenets hold for the Middle East, as well as for any other part of the world, do they not?

Mr. KELLY. They do, sir.

Mr. HAMILTON. And would you expect after this crisis is over that we would see some of these political systems in this region changing and opening up?

Mr. KELLY. I think that's inevitable. I think this is going to have a cathartic effect on the region and there are going to be real changes flowing from this crisis.

Mr. HAMILTON. Including an opening up of some of these systems.

Mr. KELLY. I think that's right and we are seeing it already in terms of press availabilities, press freedoms and so on.

EMBASSY IN KUWAIT

Mr. HAMILTON. Before going to Mr. Levine, could you tell us about the American Embassy in Kuwait and what the situation there is for the Americans?

Mr. KELLY. We have a very small remaining staff at the American Embassy at Kuwait, less than ten. They are without electricity and the water main was interrupted in front of the place, so they are living on supplies, very uncomfortably but very bravely.

They have the ability to hold out for an extended period of time yet to come.

Mr. HAMILTON. Do they have access to water?

Mr. KELLY. They have access to water. They are having to boil the water. They have a swimming pool and they are boiling the water from that pool.

So they have certain supplies that will enable them to hold out for quite a while.

Mr. HAMILTON. They are just kind of trapped in there.

Mr. KELLY. Well, they are still, to the extent that they can, able to have contact from time to time with other embassies and American citizens.

They have been able to play a constructive role, for instance, in the organization of some of the evacuations of women and children from Kuwait, so although they are terribly restricted in what they can do, and living under terrible conditions, they are still performing a valuable function.

Mr. HAMILTON. Can they walk outside the Embassy?

Mr. KELLY. Not without—

Mr. HAMILTON. They can't move around the city.

Mr. KELLY. That is correct.

Mr. HAMILTON. But you still think they are performing an important function.

Mr. KELLY. They are performing an important function.

Mr. HAMILTON. And that function is helping other Americans get out.

Mr. KELLY. That is correct.

Mr. HAMILTON. Basically.

Mr. KELLY. That is correct. And they are also, they and the other embassies that are there, are a symbol of the political will not to accept the illegal annexation of Kuwait.

Mr. HAMILTON. There are ten of them at the Embassy.

Mr. KELLY. Less than that.

Mr. HAMILTON. Less than ten. How many other Americans are there in Kuwait?

Mr. KELLY. In Kuwait, I believe the number is in the neighborhood of 1,200 now.

Mr. HAMILTON. How long do you think the Embassy will be able to hold out under present circumstances?

Mr. KELLY. I don't want to say that on the public record with your understanding, Mr. Chairman, but for a considerable period yet to come.

IMPACT OF SANCTIONS ON IRAQ

Mr. HAMILTON. Yes. Can I get your gauge of the impact of the sanctions on the Iraqi economy and society? Is there a shortage of food now in the society?

Mr. KELLY. We are seeing or hearing reports from journalists and others that certain commodities have gone off the market.

Mr. HAMILTON. I'm sorry, I didn't hear your response.

Mr. KELLY. We are seeing some commodities that are off the market, and we are seeing a tremendous leap in prices which would be indicative of a lot of hoarding and purchasing like that.

So it is having a dislocating effect on the provision of food.

Mr. HAMILTON. Do you see any sign of domestic discontent in Iraq?

Mr. KELLY. No, sir, but I am not sure that we would in a police state like that. Any sign of it I think would be promptly crushed by the regime.

Mr. HAMILTON. Would you describe the present situation as one of inconvenience, or hardship for the people?

Mr. KELLY. For the Iraqi citizens.

Mr. HAMILTON. Yes.

Mr. KELLY. I think it is hardship to live under a regime like that. The impact of the sanctions, thus far, has created considerable inconvenience, but more for foreigners who have been cut off from food. There are Indians, and Pakistanis and Bangladeshis and other foreign workers in Kuwait and Iraq who have been reduced in the amount of food to them.

So for those people—

Mr. HAMILTON. Does Saddam Hussein remain popular?

Mr. KELLY. There's no way to measure.

Mr. HAMILTON. In Iraq.

Mr. KELLY. There is no way to measure that in a ruthless police state.

Mr. HAMILTON. Are there any—there were reports that he had executed officers who opposed the invasion of Iraq. Do we know anything about that?

Mr. KELLY. We have seen reports to that effect. I couldn't go into the confirmation thereof in an open session, Mr. Chairman.

Mr. ROWEN. Mr. Chairman, on the economy, there is evidence that the industrial output is beginning to decline.

Mr. HAMILTON. Sharply.

Mr. ROWEN. Just the unavailability of supplies, of spare parts. It is clearly on the decline.

Mr. HAMILTON. That's a real vulnerability for him, isn't it?

Mr. ROWEN. Indeed.

IRAQI MILITARY

Mr. HAMILTON. What is your assessment of the Iraqi military capabilities? Are they extremely capable? We have had some reports that they are not capable at all.

What is the assessment of the Department of their capabilities?

Mr. ROWEN. Well, it is a force that has different levels of capability in different parts of it. Obviously having fought especially well against a much larger country—Iran—these people obviously have a lot of battle experience, and in fact the expression battle tested, is one that is commonly used, and it is quite correct, for eight years.

The Republican Guards are the elite units and these are the ones that led the way into Kuwait, and they are definitely an elite force in Iraqi terms, and perhaps on other terms as well.

Of course, Iraq during the war with Iran did not experience any significant amount of hostile air power or an adversary that engaged in mobile warfare because the Iranians didn't.

Mr. HAMILTON. Well, is it accurate to say that the Iraqi Air Force in the Iran/Iraq war was ineffective?

Mr. ROWEN. It was not used very well, and on the whole, it was not terribly effective. They had some fairly advanced weapons that they got from other countries and both parties didn't use them very well. Occasionally they did.

Mr. HAMILTON. We have reports that Iraqi soldiers are interrupting Kuwaitis trying to get out of the country, asking for money and food and that sort of thing. Is that, or are those accurate reports?

Mr. ROWEN. Well, I have seen the same reports and there apparently are some problems with some of those units.

Mr. HAMILTON. The Republican Guard troops were taken out of Kuwait recently and moved into Southern Iraq, were they not?

Mr. ROWEN. Well, there has been some redeployment of forces.

Mr. HAMILTON. What do you think the significance of that is?

Mr. ROWEN. I really don't want to get into speculating after the particular tactics, strategies that Saddam Hussein is using.

ASSESSMENT OF ARMY

Mr. HAMILTON. Some have suggested that the Iraqi military is not as modern as it might be, and that the statistics that are thrown out about the number of tanks and so forth are not all that impressive.

What is your overall judgment about their equipment?

Mr. ROWEN. Well, it is mixed, just like the Republican Guard versus other units. The equipment is mixed too. They have T-72 tanks which are really quite modern, but they have older tanks as well.

It would be a mistake to characterize their military as a whole as obsolete in any way, because it really isn't. There are parts of it that are quite modern and up-to-date.

Mr. HAMILTON. They have, for example, 5,500 tanks. How many of those are of second caliber?

Mr. ROWEN. I don't have the numbers here but I imagine with that large a number, a lot of them are older tanks.

Mr. HAMILTON. Half of them.

Mr. ROWEN. I am not sure. I will have to get you the numbers.

Mr. HAMILTON. Okay. Mr. Levine.

SITUATION IN KUWAIT

Mr. LEVINE. Thank you, Mr. Chairman. I would just like to follow up on a couple of those areas, particularly with regard to the situation inside Kuwait. I am not sure if we know anything other than the reports that we've read, but there are reports that Iraqis have basically looted anything that they could—stores and schools and hospitals, banks, businesses. Do we know the accuracy of those reports?

Mr. KELLY. I think that there have been so many reports that we tend to believe that there has been a tremendous amount of looting and pillaging in Kuwait, yes, sir.

Mr. LEVINE. What about the reports of rapes, assaults, and summary executions of Kuwaitis who are suspected of involvement in the resistance?

Mr. KELLY. Yes, I think that broadly speaking, those reports are true.

Mr. LEVINE. Can you describe for us what the situation is for the population of Kuwait and what aspects of daily life are functioning normally, if any?

Mr. KELLY. Well, obviously it is getting more and more difficult to get food there. Power and water supplies have been irregular for the general civilian population. Foreign males live in fear that they are going to be rounded up and taken off to a military or industrial facility in Iraq.

Women fear for their virtue when they go out shopping. Schools have been disrupted.

In other words, it is an entirely miserable and inhuman existence.

BURDENSARING

Mr. LEVINE. Mr. Ambassador, I don't know if earlier you went into how we are doing with regard to burdensharing, but I think it would be helpful, if you haven't, to just provide a brief summary of what the military and financial responsibilities are which our allies have undertaken.

Mr. HAMILTON. Will the gentleman yield?

Mr. LEVINE. Yes.

Mr. HAMILTON. I have a list I think prepared by the Department of State on responsibility sharing—Japan, Germany, Gulf states and Korea. I will just make that a part of the record, and I suppose you don't have anything to add to that?

Mr. KELLY. No, sir.¹

Mr. HAMILTON. I did commit to the Secretary to get him out of here at 5:30. Both secretaries have had a long afternoon.

Do you have questions?

Mr. LEVINE. Let me just make a concluding comment, then, Mr. Chairman.

I want to thank the Ambassador and Mr. Rowen again. This has been a helpful hearing. I just want to make one brief comment with regard to the commentary I made in the last round concerning the vulnerability of Israel and my concern about the messages that are being sent to the Israelis.

They link up to my concerns that we discussed at the outset of this hearing with regard to the mistaken messages we were sending to Saddam Hussein until August 2nd.

I think it would be a terrible tragedy if somehow, Saddam Hussein were under the mis-apprehension that we were anything short of totally committed to whatever assistance is necessary to ensure Israeli's security.

I hope we don't provide him the wrong messages with regard to Israel in the context of keeping Israel too much at arm's length in

¹ See Appendix 4.

the same way that we provided him the wrong messages with regard to his behavior in Kuwait.

I don't expect a comment on that, but that's a very serious concern. You are welcome to comment on it if you want, but I just want to mention it because it is a serious issue.

Mr. KELLY. Let me comment in one sentence. The commitment of the United States to the security of Israel is longstanding and Saddam Hussein should be under no misapprehension that any move against Israel would be immediately retaliated against by the United States.

Mr. LEVINE. Thank you, Mr. Secretary.

Mr. HAMILTON. Mr. Smith has a concluding question.

POSSIBLE UNITED STATES ACTION IF ISRAEL IS ATTACKED

Mr. SMITH of Florida. Thank you. I was waiting to ask that question because we talked about the Gulf states and the fact that we are there with Saudi Arabia, and you said it would be retaliated against.

Is it the policy of the United States that if today, Israel was attacked by Saddam Hussein or Assad, etc., from that region, that the United States would go to the aid of Israel as it has gone to the aid of Saudi Arabia?

Mr. KELLY. There is no doubt in my mind, Congressman.

SAUDI STATEMENT

Mr. SMITH of Florida. Number two, I am going to read you something and ask you if you are—I hope I am going to read you something—and ask if you have heard this before.

This was on August 23rd, past, 1990, on my way to see you I wished my visit with you and your brethren would be a farewell visit, with the hope to see you together with your brothers in arms and your friends, soldiers of the fearless Iraqi army and all Arab armies, striving to regain the plundered rights in Palestine. Unfortunately this is not Allah's will, but the hope will remain and never die in our hearts.

Have you ever heard that before?

Mr. KELLY. I am not sure that I have, Congressman.

Mr. SMITH of Florida. Well, let me refresh your memory, if you have, rather. And if you haven't, let me give it to you straight.

This is Saudi Crown Prince Abdules speaking to a division of the Saudi ground forces reported by Saudi T.V. and Saudi press agencies. This is disgraceful. This is why those of us that oppose weapon sales and other policies that are to be etched in stone, don't want those things to happen because of this reason.

If this is true, and I have no reason to doubt that it is—it was reported by Saudi television—that country which we are helping at this moment with 150,000 of our own people, has rulers including the Saudi Crown Prince who I believe is their defense minister—

Mr. KELLY. No.

Mr. SMITH of Florida. He is something.

Mr. KELLY. No, Prince Sultan is the defense minister.

Mr. SMITH of Florida. All right, well, in any event, the crown prince is exhorting his people by saying that we should be joining with the Iraqis in fighting for Palestine.

Mr. KELLY. Can you—

Mr. SMITH of Florida. No words, actually, can describe the revulsion that all Americans ought to feel if the Saudi Crown Prince said this, and I have no reason to believe he did not.

I would like you to verify that this was, in fact, said as reported on August 23rd, 1990 by Crown Prince Abdules and notify this committee.

Mr. KELLY. We will do that.

Mr. SMITH of Florida. I think this impinges very significantly on whether or not we should be selling them pop guns, let alone \$20 billion worth of our most sophisticated technology.

Thank you, Mr. Chairman.

[The information follows:]

This statement was made by Crown Prince Abdullah on August 23rd to Egyptian and Syrian troops in Saudi Arabia opposing Iraqi forces. The State Department has informed the Government of Saudi Arabia that the U.S. was dismayed and concerned to learn of the statement.

Mr. HAMILTON. Secretary Rowen, Secretary Kelly, thank you very much for your appearance. We will be submitting some questions to you, as is our custom, for immediate response.¹

We stand adjourned.

Mr. KELLY. Thank you, Mr. Chairman.

[Whereupon, at 5:43 p.m., the hearing was adjourned.]

¹ See Appendix 1.

THE PERSIAN GULF CRISIS

The Status of U.S. Citizens and the American Embassies in Kuwait and Iraq

TUESDAY, SEPTEMBER 25, 1990

HOUSE OF REPRESENTATIVES,
COMMITTEE ON FOREIGN AFFAIRS,
SUBCOMMITTEES ON EUROPE AND THE MIDDLE EAST, AND
ON INTERNATIONAL OPERATIONS,
Washington, DC.

The subcommittees met at 10:40 a.m. in room 2200, Rayburn House Office Building, Hon. Mervyn M. Dymally presiding.

Mr. DYMALLY. The Subcommittee on International Operations is called to order.

The Subcommittee on International Operations and the Subcommittee on Europe and the Middle East meet today to determine the status of U.S. citizens and the American embassies in Iraq and Kuwait.

It is difficult to imagine the fear and insecurity being experienced by over 1,000 Americans trapped in Iraq and Kuwait. They are pawns in a deadly game serving an indeterminable sentence.

Their crime was being in the wrong place at the wrong time. Their faces, for the most part, are unseen, their voices unheard and their fates unknown.

Many American hostages have lost their jobs and their homes. Others have seen their families being taken to the safety of our country while they continue to languish. Some of them are human shields and in poor health. All of them have been robbed of their freedom.

During the Iranian crisis, we watched as our Embassy was seized and our diplomats were turned into hostages. As those individuals were paraded before us on television nightly, their faces and their terror became real to us.

Americans were outraged and their concerns were centered around the safety of their fellow citizens. Though we have not seen the more than 1,000 Americans who are now estranged from their country and their families, they remain a part of us.

They are no less real, no less vulnerable or in no less danger than any other American hostage has ever been.

In my view, it is time to ask questions publicly about the security of U.S. citizens in Iraq and Kuwait. The American public has heard repeatedly about U.N. sanctions and our policy in the Middle East, but enough has not been said about the welfare of our people.

We want to know how many Americans are in Iraq and in Kuwait, what steps our government is taking to protect them and what we can do to help them.

Americans at home who have family and loved ones in these countries are desperate for news. The answers to these and many more questions and demonstrations of public support are necessary to sustain them.

Today, the Department of State will give us the answers to some of these crucial questions. Former American hostages and escapees will tell their stories. We will also hear about the plight of thousands of other foreigners stranded in Jordan.

We welcome our witnesses and thank them for the enormous contribution they are about to make.

And now I am pleased to call upon Ms. Snowe, the ranking minority member of the committee.

OPENING STATEMENT OF MS. SNOWE

Ms. SNOWE. Thank you, Mr. Chairman. I want to thank you for holding this very important hearing this morning.

I would like to welcome our witnesses today. We all appreciate the testimony of our private witnesses who have suddenly found themselves refugees due to Iraq's aggression against Kuwait.

We know that you have experienced great hardship and are worried about friends and relatives left behind.

I would also like to welcome Assistant Secretary Tamposi. We understand the delicacy of your testimony because of the precarious conditions of the more than 1,000 Americans still left behind in Iraq and Kuwait.

We also understand that there may be questions that you will be unable to answer in a public session.

You certainly have one of the most challenging jobs in the State Department. We want you to know that we here in Congress appreciate what you're doing. Your job is truly one of the Department's most important functions.

This hearing on the incarceration of Americans and other Westerners in Iraq and Kuwait is one that we should never have to have. Saddam Hussein's decision to launch an unprovoked attack against the tiny, peaceful state of Kuwait was a brutal act of insatiable avarice.

That's why I think it is so important that we have strong international support for what we are doing in the Middle East. This will demonstrate to Saddam Hussein and others who use terrorism against innocent victims that it is, in fact, a crime.

In this hearing, we have the opportunity to make clear to Mr. Hussein the unacceptability of his actions against innocent civilians, and that he and his government will be held strictly responsible for their safety.

I think it is also important to explore areas which we can help to advance the safety concerns that we have for Americans that have been left behind, but I think it is important in this post-Cold War era to respond to this challenge. Also, to make sure that it is understood that it is fully unacceptable to use innocent people as foreign policy tools.

So I appreciate the opportunity to have this hearing here today. Thank you, Mr. Chairman.

Mr. DYMALLY. Thank you very much, indeed. Mr. Lantos.

OPENING STATEMENT OF MR. LANTOS

Mr. LANTOS. Thank you very much, Mr. Chairman. Let me first welcome the distinguished Assistant Secretary to this hearing. Ms. Tamposi has demonstrated extraordinary skill and effectiveness in handling the Pan Am crisis that occurred shortly after she took on this responsibility, and during her entire tenure thus far in this extremely critical position.

She has proven to be fully up to the job. I want to commend her for her past exemplary performance and I look forward to hearing her testimony.

Mr. DYMALLY. Thank you very much. Mr. Lagomarsino.

Mr. LAGOMARSINO. Thank you, Mr. Chairman. I don't have a statement. I want to welcome our witnesses as well, and I want to commend you for holding this hearing.

Mr. DYMALLY. Mr. Levine.

OPENING STATEMENT OF MR. LEVINE

Mr. LEVINE. Thank you, Mr. Chairman. I too would like to welcome Ms. Tamposi and compliment her for the job that she's been doing. This is, as Congresswoman Snowe has indicated, a delicate position and we are sensitive to it. We commend you for the work that you are doing.

I also want to commend the Chairman for calling this hearing. I just want to make one very brief point at the outset of this hearing.

All Americans and people throughout the world have witnessed, since Saddam Hussein's brutal and naked aggression against Kuwait, a shameless display of an international propaganda effort by Saddam Hussein. He has tried to alter the landscape in terms of international opinion from the reality on the ground in the region.

The reason, among others, that I believe this is such an important and significant hearing and that I am so pleased that you are here to testify, and even more pleased that the courageous private witnesses are here to testify, is that few things can belie this outrageous international propaganda campaign more clearly than the way that innocent citizens are being treated by Saddam Hussein and his brutal Iraqi regime in Kuwait.

I am looking forward to hearing this firsthand testimony. I believe the Chairman is doing a very significant public service not just for the citizens of our country, but for international opinion as well. It is important to focus as much attention as possible on truth, on reality, and on what is in fact occurring on the ground.

I hope we will focus for at least an appropriate period of time on the courage that is currently being demonstrated by our own diplomatic personnel in Kuwait.

I was in that Embassy several years ago when I visited our then Ambassador in Kuwait and our diplomatic staff at that time. I am very familiar with the Embassy facility itself and I know how difficult it is for people to be operating under these conditions.

The courage they are demonstrating is something that should be underscored. I hope that this hearing will focus attention on the duality, between the somewhat benign message that Saddam Hussein wants to communicate to the world, and the very stark and brutal reality occurring on the ground.

For that reason, I think this is a very important session. I commend the Chairman for calling it.

Mr. DYMALLY. Thank you very much. Mr. Ackerman.

Mr. ACKERMAN. Welcome to the witnesses. I have no opening statement.

Mr. DYMALLY. Mr. Weiss.

Mr. WEISS. Thank you, Mr. Chairman. I have no opening statement.

OPENING STATEMENT OF MR. FALCOMAVAEGA

Mr. DYMALLY. Mr. Falcomavaega.

Mr. FALCOMAVAEGA. Thank you, Mr. Chairman. First of all, I commend you for calling this hearing and I would like to personally welcome our friends from the administration who will be testifying this morning.

Mr. Chairman, without question, no one doubts the sincerity of our President and the administration. Not even among any of the members of both chambers of the Congress who are not concerned about the welfare and the safety of American citizens whose lives are now at risk both in Kuwait and in Iraq.

Our hearts go out for them and we sincerely hope that they will all return home safely. The same desire also goes to the citizens of other countries that face the same dilemma that we are in.

Mr. Chairman, I need not repeat the hostage crisis in Iran of which our former President tried earnestly to resolve. Of a more recent vintage, the crisis in Tiananmen Square in Beijing, China where many Americans in our Government were caught by surprise.

It is history, but the question then and now again, were we prepared for the crisis?

And now the crisis in the Middle East, and again the lives of American citizens are put in jeopardy and hopefully there will be answers to questions that will be raised at this morning's hearing.

Mr. Chairman, I make one bit of observation without criticism of the administration and our friends who will be testifying. There is one consistent pattern that this member would like to make as a point of observation.

Consistent in the fact that the officials of the People's Republic of China gave us every assurance that there would be no suppression militarily of the demonstrations that were held by the students.

And then there were the assurances again, to our Government, by the officials of the Government of Iraq that there will be no military attack on the Government of Kuwait.

And somehow I raise the question, where is our intelligence system? Has it really proven its effectiveness in terms of why we were not aware of what was happening?

It is my understanding of the situation of the Middle East crisis, the administration was aware of the pending problems at least two weeks before the military take-over by the Government of Saddam Hussein, and I imagine that there was every bit of consideration of the fact that when you have over 100,000 troops on the borders of Kuwait, something is bound to happen.

Yet we took it in good faith, all the assurances that were given by the Iraqi officials that nothing would happen, nothing would happen, yet it happened.

We are again faced with the problem, and I raise the question, were we prepared for the crisis?

I suppose in diplomatic circles it is very difficult when you have the Ambassadors or whoever the spokesman for the Government regimes of Saddam Hussein or even in Beijing, China that nothing will happen, but I question sincerely whether or not our intelligence network system is effective.

I express this serious doubt that somehow or someway we were not prepared for the crisis for the simple reason that we have faulty intelligence and they are not giving us the proper information so that we could have made proper preparations before this crisis occurred.

Again, we are at the risk of putting American lives right in the forefront in trying to resolve a crisis now that I think is not going to go away, things are not going to get any better.

I am going to raise more questions on this very issue that I would like to bring to the attention of the members, and to you, Mr. Chairman, and to our witnesses this morning.

But I recall, I think there was an intelligence report that was given to the President about the Deng Xiao Ping being in a coma, so he doesn't have to worry about. And lo and behold, our President saw Deng Xiao Ping walking around, no problem whatsoever. His health was just as good as anything.

It is my understanding the President was very upset about the kind of information that was given to him in reference to the fact that here again we have faulty intelligence system.

I just wonder if our intelligence community is not up to par with their expertise in giving us the proper information so that we could then, or should at least make better decisions than what we are faced with now as far as the Middle East is concerned.

But I will raise some more questions on this in due time, Mr. Chairman. Thank you for the time.

Mr. DYMALLY. Thank you very much. Mr. Smith.

OPENING STATEMENT OF MR. SMITH OF FLORIDA

Mr. SMITH of Florida. Thank you, Mr. Chairman. Frankly, I am one of those who has been saying from the beginning that I felt that this was an avoidable situation.

We now find ourselves in this terrible, tragic situation and I believe it could have been avoided. I don't believe there should be in Kuwait today any American hostages.

This government, this administration right at the beginning of this episode shamelessly denied the people in Kuwait who are American citizens the protection that they were entitled to as the

basic protection under the Constitution that the government is supposed to extend to people.

That is protection of their lives and their safety. Before this invasion began, the State Department in this country, and Mr. Faleomavaega is bemoaning the intelligence problem, it wasn't a problem of intelligence. It was a problem of analysis.

Everybody in the world who had anything to do with this region knew this invasion was going to take place, except this State Department and other people in this administration who decided Saddam Hussein would not, for some reason, contrary to his whole historical being, attack Kuwait, even though he said he would.

And so he did. We didn't issue any warning to the Americans who were there, non-governmental, to get out. We didn't provide them any capability to get out. We didn't tell them we would help them get out. We did nothing, zero to protect the lives and the safety of Americans, whom we knew, if the invasion took place, would become at risk, at the very least, with their lives during the invasion and subsequently, if he was going to stay there. The possibility really existed of using them as hostages and shields.

After the invasion, we did nothing with reference to these people. American citizens all, entitled to the protection of this government, this administration did nothing with reference to them.

And somehow, if you want to be a critic now of having done nothing, somebody is going to call you un-American. Well, they can call me anything they want. I support opposing Saddam Hussein, but I do not agree with why we are now finding ourselves in this position.

This administration blew it badly when it came to doping out at the beginning, fathoming and understanding what was going to happen in this region.

But if they made a mistake with Saddam Hussein, they should never have made a mistake with the Americans. They didn't offer anything before, during, or just in the few days following the invasion, to get Americans out.

If we would have, together with the British who had over 4,000 people in Kuwait, and other foreign governments who had other foreign nationals in Kuwait, gone to the U.N. and asked for a resolution from the U.N. to demand that those foreign nationals be allowed to be released, I believe we would have got them.

We got certainly something far much more reaching, and that is the sanctions. We didn't. We didn't demand that he let the Americans go or we would come up in a few hours with American transports by plane or ship, because we had ships in the Persian Gulf. Kuwait City is on the water. We could have brought LST's right up to the beach.

We were in contact with all those Americans then. They were roaming around freely then. We could have just put out the word to be at the beach at 5:00 o'clock and we were going to come up unarmed and announce to the world we were unarmed, just to let Americans walk on to these LST's.

We didn't. We did nothing, and now he has got Americans—shields and hostages, and the world says nothing.

France didn't get aggravated until its Embassy was invaded. We should be aggravated that we have not done it right or done it well.

Mr. Chairman, I am very grateful that you are holding these hearings now to determine what it is we can do starting today to get these hostages out of there as rapidly as possible.

These hostages, in their numbers, unfortunately represent a worse problem because without names and faces, they become much more expendable than the seven or eight that everybody knows in Lebanon and that are high profile.

They should not have been there in the first place, and it is our fault. Sure, it is the fault of Saddam Hussein but I think we had the capability to make sure that this didn't happen, and we didn't do it.

I hold the Bush administration and the State Department absolutely responsible for having missed the opportunity.

Thank you, Mr. Chairman.

Mr. DYMALLY. Thank you very much. Our first witness is the Honorable Elizabeth Tamposi, Assistant Secretary for Consular Affairs in the Department of State.

Welcome, Ms. Tamposi.

STATEMENT OF HON. ELIZABETH TAMPOSI, ASSISTANT SECRETARY FOR CONSULAR AFFAIRS, U.S. DEPARTMENT OF STATE

Ms. TAMPOSI. Thank you, Chairman Dymally.

Mr. Chairman and members of the subcommittee, I am pleased to have this opportunity to appear before you today to tell you of the efforts of the State Department Bureau of Consular Affairs and our consular officers in Iraq and Kuwait and what we are doing to assist our countrymen caught up in that crisis.

Most of you are familiar with the services that the Bureau of Consular Affairs provides with our 4,000 consular employees overseas. Our primary responsibility is to protect American citizens and it is a responsibility that we have had since the earliest days of our Republic.

There are three orders of magnitude, Mr. Chairman, that I would like to point out in this crisis, that I would like to touch on.

The first is the magnitude and the complexity of the crisis itself. The second is the magnitude of the immediate response from here in Washington and Iraq and Kuwait that we gave to American citizens, and the third is the magnitude of the challenge that lies before us from a consular viewpoint.

The crisis in Iraq and Kuwait is an extraordinary situation. In magnitude, the numbers of the Americans who are either hostages or, for a lack of a better term, detainees, exceeds anything our consular officers have ever had to deal with since World War II.

Numbers aside, there is a certain character to this crisis that is defined by a government who ignores its solemn obligation to protect and assist foreigners within its territory.

It seeks to use our citizens and other foreigners as human shields.

The danger for Americans in Iraq and Kuwait cannot be exaggerated. As many of you on the committee have pointed out, they face arrest, confinement. They are being transported to military installations and other industrial installations.

It has required close coordination between governments, as we have pointed out. Furthermore, it involves one country—Iraq—against virtually the entire international community.

Second, I would like to explain the next order of magnitude which is the response that we gave from here in Washington and from Iraq and Kuwait.

Mr. Chairman, with respect to the magnitude and the quantifiable aspects of this crisis, I would like to point out that it is not an exact science as far as the numbers that we have. It has been that way for a number of reasons.

For example, when we have to ascertain how many people were there initially, how many people are left, how many people we have taken out, some numbers are more refined than others.

It is that way because some never registered with us in the initial parts of the crisis. They hadn't registered with us previously. Some were dual nationals. Some were just traveling through, and others escaped without our knowledge.

To respond to the crisis, though, I would like to focus first in Washington and then overseas in Iraq and Kuwait, and what we have been doing.

We first immediately established an around-the-clock task force in our Department Operations Center and it is set up with 40 people who have been doing an around-the-clock shift for 24 hours. We run three shifts.

We have estimated that about 2,500 Americans were in Kuwait at the time of the invasion, and another 580 were in Iraq, as well as 30,000 Americans that were in the adjacent Persian Gulf region.

We were initially and immediately inundated with calls from worried relatives, friends and loved ones to find out what was happening. We received over 4,600 phone calls in the first day alone, and in that early period, the calls exceeded 600 an hour.

It was the tidal wave of calls from concerned relatives and friends that was extremely helpful to our bureau. In some instances, it was the only way that we knew that those Americans were in those countries.

We then collected the names of the individuals known to be in the area and we established family contacts here in the United States. This information was compiled from various sources. We got it from our Embassy. We got it from corporations that these people worked for, from our registration files, and from what is known as our Warden System.

Over the entire period, our consular officers have kept in close contact with the families of the hostages. We call back the families here in the United States every 48 hours with updated information, or in some cases, when the news is good, that their family member is going to be on an evacuated flight.

We have made over 30,000 phone calls to the families and we are now in the process of establishing a system where each family will have its own special caseworker and somebody that has had a lot of experience, a foreign service officer that has had a lot of experience in hostile situations previously.

We are going to give that assistance to those people caught up in this crisis.

We issued travel advisories for both Americans trapped in Kuwait and Iraq, and for those in the adjacent Persian Gulf countries, and we advised Americans in Iraq and Kuwait to leave that area as soon as it was possible.

For other Americans, we have told them to postpone all non-essential travel, and that includes travel in the countries of Saudi Arabia, the eastern province only, Bahrain, the United Arab Emirates, Qatar, Yemen, and Jordan.

We have worked very closely with the Voice of America and other international media to get out essential advisory information to Americans who could not contact the Embassy or who could not be contacted.

Now, in Iraq and Kuwait, with less than 20 official Embassy personnel, I would like to say, Mr. Chairman, it has been their steadfastness and their defiance in the face of a government that so flagrantly has been in disregard of its commitments under international agreements to take care of foreigners in this situation.

But it has been with less than 20 official Embassy personnel in less than two weeks that we've gotten 1,900 Americans and other family members out of there.

Our superb Embassy officials, under siege conditions, have risked their own lives. They are working night and day to organize these flights, to get these women and children back to the United States.

As soon as we knew that we could get those women and children out of there, we got them out as fast as we could. In Baghdad, our Embassy has negotiated, often under very trying circumstances with a government that is changing its rules midstream, that's renegeing on promises that they've made to us.

We have our Embassy officials in there and we are getting them out as fast as we can.

The Embassies in Kuwait and Iraq, directly through our Warden System, have sought to make contact with all the Americans and to try to assure their safety.

To that end, we contacted close to 2,000 Americans in the first three weeks alone, but in the first days of the invasion, our consular officers were on the street of Kuwait and Baghdad to check on the safety and the whereabouts of the Americans, and it was oftentimes at their own personal threat.

They had been getting out there because our calls in Embassy Kuwait had been monitored by the Iraqis.

It is in the period that our Embassy in Baghdad made constant demands to the Iraqi officials and reminded them of their responsibility to take care of our Americans and other foreigners that are caught up in the invasion.

That has been to no avail, but we have gotten the women and children out.

Coming to the Department, as I did, in the aftermath of Pan Am 103, one of my highest priorities was to make our crisis management system from a consular standpoint, as efficient as we possibly could, to respond with the greatest speed and compassion and professionalism, no matter what the situation.

We have faced eight major crises since the Pan Am 103 tragedy. We have had China and Tiannamen Square, Panama, El Salvador,

the Philippines, Rumania, Trinidad, Liberia and now Iraq and Kuwait.

Mr. Chairman, with your permission, I have provided for the record a very detailed description of three key areas of crisis management, a process that we use to support the management of this situation, the systems that we have in place, and the people and what we have done to train them to respond to this crisis so that we can do the best that we possibly can.

I would like to submit my written testimony for the record, Mr. Chairman.

Mr. DYMALLY. Without objection.

Ms. TAMPOSI. Thank you. I would also like to submit a current situation report on those displaced Americans that are in the Middle East at the moment.¹

Well, Mr. Chairman and members of the committee, I have explained the first two aspects that distinguish this crisis—the magnitude of it and our response.

But now it is clear that we are in the next stage of this crisis. The coming days will be ones of great trials faced by all those affected by these events, and although most of the women and children that have been evacuated, that want to get out, that can get out, their husbands and their fathers remain back there as hostages or human shields.

In Kuwait, the Iraqis are going house to house, systematically searching for Westerners and they are threatening to execute any of the Kuwaitis that are holding these people or giving them refuge.

We continue to press the Iraqis to release all the foreigners, all of our American citizens so that they can depart.

We have made demands that they have released all those with serious medical conditions and we have 69 of them. We find it especially reprehensible that they have ignored our demands to evacuate these Americans, especially these Americans that are held there against their own free will, and the ones that have serious medical conditions.

Back here at home, we have worked very closely with other Federal Government agencies, state agencies and local agencies to provide assistance as our evacuees re-enter into the United States.

Our medical consultants inform us that these families, as they are returning, are going to be faced with significant medical and psychiatric support needs. Medical complications, both physical and psychiatric, we are anticipating them.

We have been working with the National Organization of Victims Assistance and other interesting organizations to provide them with the counseling and the assistance that these families need to deal with their personal crises.

I can assure you, Mr. Chairman, that my bureau is committed to do everything possible to achieve a safe return of our countrymen and to ease the suffering of their separated families.

A final word, Mr. Chairman, and members of the subcommittee.

¹ See Appendix 6.

In summarizing these extraordinary challenges that we face in the future, allow me to make two observations, one retrospective and one prospective.

Retrospectively, I know that our response has not been perfect. I am sure that there are people that are listening to my testimony right now that aren't happy with some of the aspects of the consular assistance that we have provided, but I want to say that no problem was a result of our not trying.

My sense is that we are miles ahead of where we were when we began to make major improvements in our consular crisis management.

I want to continue to listen and to take any constructive criticism that will help us to continue to improve because protection of Americans demands the very best that we can do.

And prospectively, we pray to God that this crisis will be over soon and that those loved ones that are the hostages will return to their families in the near future, but we can't predict with any certainty how long this is going to take, and so we are planning for the long haul in terms of regularizing our staffs to avoid double shifts and to avoid burn-out, and to enable us to get on with the other aspects of our consular work.

But we do not think that the coming period will be easy either, in terms of searching for a resolution of this crisis or helping those families that have returned to adjust to that tension and the terror of separation.

We share their distress, their concern for the loved ones that are left behind in Iraq and Kuwait, and for what one hostage wife has called "the emotional roller coaster of hope and despair."

I can assure you, Mr. Chairman, and members of the subcommittee, that my bureau is committed to doing everything possible to achieve a safe return of our people and to easing the suffering that they are going to experience because of separation from their families.

Now I will be happy to answer any questions and I hope that as Congresswoman Snowe pointed out, that there is some sensitivity to some of the numbers involved in the quantifying of Americans left behind. I hope we can go into an executive session, if you would like have further explanation in that vein.

Thank you, Mr. Chairman.

[The prepared statement of Ms. Tamposi follows:]

TESTIMONY OF

THE HONORABLE ELIZABETH M. TAMPOSI

MESSRS. CHAIRMEN, MEMBERS OF THE SUBCOMMITTEES :

LET ME BEGIN BY SAYING THAT I AM PLEASED TO HAVE THE OPPORTUNITY TO APPEAR BEFORE YOU TODAY TO DISCUSS HOW THE STATE DEPARTMENT'S BUREAU OF CONSULAR AFFAIRS IS ASSISTING AMERICAN CITIZENS INVOLVED IN THE CRISIS IN KUWAIT AND IRAQ. MOST OF YOU ARE UNDOUBTEDLY FAMILIAR WITH THE SERVICES THAT THE BUREAU OF CONSULAR AFFAIRS PERFORMS FOR OUR CITIZENS ABROAD. THE PRIMARY MISSION OF THE BUREAU'S 240 POSTS AND NEARLY 4000 EMPLOYEES IN THE CONSULAR SERVICE ABROAD IS TO PROVIDE EFFECTIVE AND TIMELY CONSULAR ASSISTANCE TO AMERICANS TRAVELLING AND RESIDING OVERSEAS..

COMING TO THE DEPARTMENT IN THE AFTERMATH OF THE PAN AM 103 TRAGEDY, ONE OF MY HIGHEST PRIORITIES WAS TO ESTABLISH A MORE EFFICIENT "CRISIS MANAGEMENT SYSTEM" TO RESPOND TO ANY CRISIS ANYWHERE WITH THE GREATEST SPEED, COMPASSION, AND PROFESSIONALISM POSSIBLE, NO MATTER WHAT THE SITUATION. CONSULAR AFFAIRS HAS FACED EIGHT MAJOR CRISES SINCE THE PAN AM 103 TRAGEDY: CHINA (TIANNAMEN SQUARE), PANAMA, EL SALVADOR, THE PHILIPPINES, ROMANIA, TRINIDAD, LIBERIA AND NOW IRAQ/KUWAIT.

OUR EFFORTS THUS FAR, WHILE NOT YET FINISHED, HAVE RESULTED IN MAJOR INITIATIVES AND SUBSTANTIAL CHANGES. WE HAVE FOCUSED OUR ATTENTION ON THE THREE KEY AREAS OF CRISIS MANAGEMENT RESPONSIBILITIES: PROCESS AND PROCEDURES; SYSTEMS AND TECHNOLOGY; AND PEOPLE.

WITH RESPECT TO OUR OWN INTERNAL PROCEDURES, PERHAPS THE MOST IMPORTANT ASPECT IS THAT OFTEN IN EACH AND EVERY CRISIS THE CA BUREAU SYSTEMATICALLY AND CRITICALLY REVIEWS ITS PERFORMANCE WITH A VIEW TOWARD LESSONS LEARNED. WE ARE CONTINUOUSLY ASSESSING AND IMPROVING OUR TECHNIQUES. IT IS IN THIS CRITICAL AREA OF PROCEDURE DETAILED IN OUR TASK FORCE HANDBOOK AND IN THE POST SPECIFIC EMERGENCY PLANS OVERSEAS THAT WE DEFINE THE

DIVISIONS OF LABOR, FIX RESPONSIBILITY, AND HAVE A MONITORING MECHANISM TO INSURE ACCOUNTABILITY. PROCESS IS THE DRIVING FORCE BEHIND ALL OUR CRISIS MANAGEMENT ACTIVITY.

WITH REGARD TO PROCEDURE, I SHOULD POINT OUT THAT WE NOT ONLY HAVE A CONSCIOUS FUNCTIONAL DIVISION OF LABOR, BUT A PHYSICAL SPLIT OF TASK FORCE COMPOSITION AS WELL. UNDER THE OVERALL COMMAND OF THE TASK FORCE DIRECTOR, THERE ARE TWO TASK FORCES. TASK FORCE ONE IS COMPRISED OF REPRESENTATIVES OF ALL STATE DEPARTMENT ORGANIZATIONS AFFECTED BY A PARTICULAR CRISIS.

THIS GROUP IS CHARGED WITH RESPONSIBILITY FOR THE POLITICAL AND POLICY ASPECTS OF THE CRISIS. THEN THERE IS THE CONSULAR TASK FORCE (TASK FORCE TWO) RESPONSIBLE FOR CARRYING OUT OUR RESPONSIBILITIES TO ASSIST AMERICAN CITIZENS OVERSEAS AND PROVIDE WELFARE, WHEREABOUTS AND OTHER INFORMATION TO FAMILY MEMBERS IN THE UNITED STATES. BECAUSE OF THE FAST PACE OF THE INFORMATION FLOW, OUR INTERNAL PROCEDURES ARE DESIGNED TO INSURE CLOSE, CAREFUL, AND CONSTANT INTERACTION BETWEEN THESE TWO TASK FORCES.

THE SECOND MAJOR FOCUS OF OUR EFFORTS HAS BEEN PLACED ON AUTOMATION AND TECHNOLOGY. PRIOR TO THE TRAGEDY AT LOCKERBIE OUR CRISIS MANAGEMENT TOOLS CONSISTED PRIMARILY OF A CARD TRACKING SYSTEM. CAPTURING, RETAINING, AND ACCESSING INFORMATION ON WELFARE AND WHEREABOUTS DEPENDED IN PART ON THE AVAILABILITY AND LEGIBILITY OF HAND-WRITTEN NOTES PASSED FROM ONE TASK FORCE SHIFT TO THE NEXT. I AM PLEASED TO TELL YOU THAT WE NOW HAVE A UNIQUE AUTOMATED SYSTEM SPECIFICALLY DEVELOPED TO PROVIDE AS TIMELY AND AS ACCURATE INFORMATION AS WE POSSIBLY CAN. WE ARE JUST NOW COMPLETING THE INSTALLATION OF A LARGER AND FASTER COMPUTER FACILITY DEDICATED TO THE

SUPPORT OF CITIZENS' CONSULAR SERVICES NEEDS. AS A LESSON LEARNED, HOWEVER, WE HAVE ALREADY IDENTIFIED AREAS WHERE THE SYSTEM CAN BE IMPROVED AND PLAN TO REDESIGN IT AS THE CURRENT CRISIS ALLOWS.

IN CONJUNCTION WITH OUR ONGOING PROCEDURAL REVIEWS, WE HAVE ESTABLISHED A FRAMEWORK IN WHICH WE ARE ABLE TO DEPLOY CONSULAR OFFICERS INTO AREAS HIT BY CRISIS AND HAVE TAKEN STEPS TO EQUIP THEM WITH SOPHISTICATED CRISIS MANAGEMENT TOOLS. FOR EXAMPLE, WHEN THE CURRENT CRISIS IN THE GULF BEGAN, WE SENT EXPERIENCED CONSULAR OFFICERS FROM WASHINGTON AND BONN TO PROVIDE ON-THE-GROUND ASSISTANCE. AMONG OTHER EQUIPMENT, THESE OFFICERS HAD A PORTABLE SATELLITE TELEPHONE SYSTEM WHICH PROVED TO BE VERY USEFUL IN THIS SITUATION.

FINALLY, AND UNDOUBTEDLY A MAKE-OR-BREAK FACTOR IN THE MANAGEMENT OF ANY CRISIS, WE HAVE DEVOTED A GREAT DEAL OF ATTENTION AND RESOURCES TO OUR STAFF. WE ARE MAKING EVERY EFFORT TO SELECT ONLY THOSE INDIVIDUALS WHO CAN PERFORM IN THIS DIFFICULT AND DEMANDING AREA. IN ADDITION, WE HAVE DESIGNED AN ENTIRELY NEW TRAINING COURSE IN CRISIS MANAGEMENT AND HAVE TRAINED OVER 200 OFFICERS DURING THE YEAR. OVER TIME, WE EXPECT THAT ALL OFFICERS CALLED TO SERVE ON TASK FORCES WILL HAVE COMPLETED THIS TRAINING. WE ARE CURRENTLY REFINING THE NATURE AND CONTENT OF OUR 24-HOUR TASK FORCES AND TAKING CAREFUL MEASURES TO MINIMIZE THE EFFECTS OF STRESS AND BURNOUT. AS WE LOOK TO THE DIFFICULT DAYS AHEAD, WE ARE TRYING TO REDESIGN OUR TASK FORCES SO THAT EACH OF THE ESTIMATED 400-450 FAMILIES WILL HAVE A SINGLE POINT OF CONTACT. THESE "CASE OFFICERS" WILL BE THE FAMILY'S PRIMARY LINK WITH THE DEPARTMENT AND WILL BE CHARGED WITH KEEPING IN TOUCH WITH THE FAMILIES AT LEAST ONCE IN A 48-HOUR PERIOD.

WE ARE WORKING HARD TO PROVIDE THE BEST POSSIBLE SERVICE TO U.S. CITIZENS. IN AN ERA OF CONSTRAINED RESOURCES, I FEEL WE HAVE MADE GREAT STRIDES THUS FAR. HOWEVER, MUCH WORK REMAINS AND WE INTEND TO CONTINUE. THE COMING DAYS WILL BE ONES OF GREAT TRIAL FOR THOSE AFFECTED BY THE CURRENT CRISIS. WE HOPE OUR EFFORTS WILL HELP ALLEVIATE THEIR SUFFERING AND HARDSHIP.

OUR PROCEDURAL IMPROVEMENTS HAVE ALLOWED US TO OVERCOME THE LOGISTICAL, COMMUNICATIONS AND OTHER PROBLEMS WE HAVE ENCOUNTERED IN EACH OF THESE EVENTS.

THE CRISIS WE NOW FACE IN THE PERSIAN GULF IS UNIQUE AND COMPLICATED. WE HAVE NEVER SEEN A SITUATION WHERE SO MANY AMERICANS HAVE BEEN HELD BY A GOVERNMENT SO FLAGRANTLY DISREGARDING ITS COMMITMENTS UNDER INTERNATIONAL CONSULAR AGREEMENTS. THE OBSTACLES OUR CONSULAR OFFICERS HAVE FACED IN GAINING ACCESS TO THEIR FELLOW COUNTRYMEN HAS SERIOUSLY COMPLICATED OUR JOB DURING THIS CRISIS.

AS OUTLINED ABOVE, MR. CHAIRMAN, OUR EFFORTS TO ASSIST AMERICANS CAUGHT UP IN THE CRISIS CAN BE CLASSIFIED INTO THREE AREAS: PROCESS, SYSTEMS, AND PEOPLE. WITH YOUR PERMISSION, LET ME NOW ELABORATE ON WHAT WE HAVE BEEN DOING SINCE THE IRAQI INVASION OF KUWAIT ON AUGUST 2 IN EACH OF THESE AREAS.

PROCESS

WHEN I TALK OF PROCESS, I MEAN THE NUTS AND BOLTS ORGANIZATION OF A TASK FORCE. OUR EFFORTS TO ASSIST OUR CITIZENS IN A TASK FORCE IS DIRECTED FROM TWO OPERATIONAL FRONTS--HERE AT THE DEPARTMENT AND FROM OUR EMBASSIES AND CONSULATES OVERSEAS.

IN THIS PRESENT CRISIS:

--WE IMMEDIATELY ESTABLISHED A ROUND THE CLOCK TASK FORCE IN THE DEPARTMENT OPERATIONS CENTER. OUR CONSULAR TASK FORCE ALONE IS REGULARLY STAFFED WITH UP TO 40 PERSONS PER SHIFT AROUND THE CLOCK IN 3-4 TASK FORCE ROOMS.

--WE ESTIMATED THAT ABOUT 2,500 AMERICANS WERE IN KUWAIT AND ANOTHER 580 IN IRAQ WHEN THE CRISIS BEGAN, AS WELL AS OVER 30,000 AMERICANS IN THE ADJACENT PERSIAN GULF REGION. WE WERE IMMEDIATELY INUNDATED WITH CALLS FROM WORRIED RELATIVES AND FRIENDS TRYING TO FIND OUT WHAT WAS HAPPENING.

--WE RECEIVED OVER 4,600 TELEPHONE CALLS IN THE FIRST DAY ALONE. IN THE EARLY PERIOD, THE CALLS EXCEEDED 600 PER HOUR. THIS TIDAL WAVE OF CALLS FROM CONCERNED FRIENDS AND RELATIVES WAS EXTREMELY HELPFUL TO THE BUREAU. IN SOME INSTANCES, IT WAS THE ONLY WAY WE WERE AWARE AN AMERICAN WAS IN EITHER IRAQ OR KUWAIT.

--WE COLLECTED THE NAMES OF INDIVIDUALS KNOWN TO BE IN THE AREA AND THEIR FAMILY CONTACTS IN THE U.S. THIS INFORMATION WAS COMPILED FROM VARIOUS SOURCES, INCLUDING FAMILY MEMBERS, FRIENDS, CORPORATIONS, EMBASSY REGISTRATION FILES, AND THE EMBASSY WARDEN SYSTEM. OVER THIS ENTIRE PERIOD OUR CONSULAR OFFICERS HAVE KEPT IN CLOSE CONTACT WITH THE FAMILIES OF HOSTAGES, TRYING TO CALL EVERY FAMILY BACK ONCE EVERY 48 HOURS WITH UPDATED INFORMATION, OR IN SOME CASES THE GOOD NEWS THAT A MEMBER OF THEIR FAMILY IS ON AN EVACUATION FLIGHT. OUR TASK FORCE HAS MADE OVER 30,000 PHONE CALLS TO FAMILY MEMBERS. WE ARE NOW IN THE PROCESS OF ESTABLISHING A SYSTEM WHERE EACH FAMILY WILL HAVE ITS OWN CASE WORKER, SOMETHING WE HAVE NOT BEEN ABLE TO DO UNTIL RECENTLY, GIVEN THE NUMBER OF PEOPLE CAUGHT UP IN THIS CRISIS.

-- WE ISSUED TRAVEL ADVISORIES BOTH FOR AMERICANS TRAPPED IN IRAQ AND KUWAIT AND FOR THOSE IN THE ADJACENT PERSIAN GULF COUNTRIES. TRAVEL ADVISORIES ARE ISSUED BASED ON INFORMATION PROVIDED BY POSTS ABROAD REGARDING LOCAL CONDITIONS WHICH MAY ADVERSELY AFFECT THE WELFARE OF THE RESIDENT AND TRAVELLING AMERICAN PUBLIC AND IN CONSULTATION WITH VARIOUS BUREAUS OF THE DEPARTMENT OF STATE AND OTHER CONCERNED FEDERAL AGENCIES. WE ADVISED AMERICANS IN IRAQ AND KUWAIT TO LEAVE AS SOON AS IT WAS POSSIBLE. FOR OTHER AMERICANS WE ADVISED THEM TO POSTPONE ALL NONESSENTIAL TRAVEL TO AFFECTED AREAS, INCLUDING NEIGHBORING COUNTRIES OF SAUDI ARABIA (THE EASTERN PROVINCE ONLY), BAHRAIN,

AND THE UNITED ARAB EMIRATES, QATAR, BAHRAIN, YEMEN, AND JORDAN. I HAVE COPIES OF THOSE TRAVEL ADVISORIES WITH ME IN CASE YOU ARE INTERESTED. LET ME TAKE THIS OPPORTUNITY TO PUBLICIZE OUR AUTOMATED TRAVEL ADVISORY SYSTEM WHICH YOU OR YOUR CONSTITUENTS MAY ACCESS BY CALLING (202) 647-5225.

-- OUR EMBASSIES IN KUWAIT AND IRAQ, DIRECTLY OR THROUGH THE WARDEN SYSTEM, HAVE SOUGHT TO MAKE CONTACT WITH ALL AMERICANS AND ASSURE THEIR SAFETY. TO THAT END, OUR EMBASSIES CONTACTED CLOSE TO 2,000 AMERICANS IN THE FIRST THREE WEEKS ALONE. IN THE FIRST DAYS OF THE INVASION, OUR CONSULAR OFFICERS WERE ON THE STREETS OF KUWAIT AND BAGHDAD, TO CHECK ON THE SAFETY AND WHEREABOUTS OF AMERICANS.

--COMMUNICATION BETWEEN OUR CONSULAR OFFICERS AND THEIR FELLOW COUNTRYMEN IN KUWAIT AND IRAQ IS STILL DIFFICULT AND POTENTIALLY DANGEROUS. IN KUWAIT, OUR EMBASSY IS EFFECTIVELY UNDER SIEGE. IRAQI TROOPS PROHIBIT ANYONE FROM ENTERING OR LEAVING, AND THE EMBASSY HAS RELIED ON TELEPHONES AND THE WARDEN SYSTEM TO MAINTAIN CONTACT. WE KNOW THE IRAQIS MONITOR OUR CALLS IN AN ATTEMPT TO LOCATE AMERICANS. FOR THIS REASON, OUR TELEPHONE CONVERSATIONS WITH AMERICANS ARE SHORT. OUR CITIZENS USUALLY ONLY HAVE TIME TO ADVISE US THEY ARE WELL AND IN SOME CASES THAT THEY HAVE MOVED THEIR LOCATION. BUT THEY CANNOT SAY, OF COURSE, WHERE THEY HAVE MOVED FOR FEAR OF DISCOVERY.

-- WE WORKED WITH VOICE OF AMERICA AND OTHER INTERNATIONAL MEDIA TO GET OUT ESSENTIAL ADVISORY INFORMATION TO AMERICANS WHO COULD NOT CONTACT THE EMBASSY OR COULD NOT BE CONTACTED. FROM INTERVIEWS WITH AMERICANS WHO HAVE MANAGED TO LEAVE KUWAIT AND IRAQ WE KNOW THAT THIS CHANNEL WAS VERY EFFECTIVE IN RELAYING VITAL NEWS ON EVACUATION FLIGHTS AND EXIT PROCEDURES, AND I WOULD LIKE TO TAKE THIS OPPORTUNITY TO EXPRESS OUR GRATITUDE TO ALL OF THE MEDIA ORGANIZATIONS WHO COOPERATED WITH US IN THIS EFFORT.

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-- THROUGHOUT THIS PERIOD OUR EMBASSY IN BAGHDAD MADE CONSTANT REPRESENTATIONS TO IRAQI OFFICIALS, REMINDING THEM OF IRAQI RESPONSIBILITY FOR THE SAFETY OF AMERICANS CAUGHT UP IN THE INVASION

SYSTEMS

MR. CHAIRMAN, AS I INDICATED, AS RECENTLY AS THE PAN-AM 103 CRISIS THE ONLY METHOD FOR RECORDING INFORMATION ABOUT VICTIMS AND ABOUT THEIR FAMILIES WAS BY FILLING OUT CARDS BY HAND. CLEARLY, THIS WAS NOT A SYSTEM WHICH WAS RESPONSIVE TO A CRISIS OF THIS MAGNITUDE, ESPECIALLY ONE INVOLVING MORE THAN 3000 AMERICANS.

AS A RESULT OF THE LESSONS LEARNED FROM PAN AM 103, WE IMMEDIATELY BEGAN TO SEARCH FOR WAYS TO AUTOMATE OUR RECORD-KEEPING SYSTEM. WE HAVE DEVELOPED A SYSTEM NAMED "CRIS," WHICH STANDS FOR "CRISIS INFORMATION SYSTEM." THE SYSTEM ALLOWS A LARGE NUMBER OF TRAINED USERS ACCESS TO INFORMATION WHICH IS ACCURATE, TIMELY, AND EASILY RETRIEVABLE. CRIS IS DESIGNED TO CREATE A DATA BASE, RECORD NAMES AND VITAL DATA OF THE AMERICAN CITIZEN, INDICATE NAMES OF PRIMARY, CONGRESSIONAL, OR CORPORATE CONTACTS IN THE U.S., CREATE A CHRONOLOGY OF CALLER INQUIRIES, AND GENERATE INFORMATION TO CREATE WELFARE AND WHEREABOUTS CABLES FOR TRANSMISSION TO POSTS ABROAD.

IN THIS CRISIS, CRIS HAS BEEN UTILIZED TO ITS UTMOST. OBVIOUSLY THIS SYSTEM, AS WITH ALL COMPUTERIZED SYSTEMS, HAS ITS AND LIMITATIONS. WE ARE KEEPING RECORDS OF THESE SHORTCOMINGS SO THAT WE CAN CONTINUE TO RESEARCH WAYS AND MEANS TO IMPROVE ITS PERFORMANCE, WHICH WILL ALLOW US TO SERVICE THE PUBLIC BETTER IN THE FUTURE.

IN ADDITION TO THE GREAT IMPROVEMENTS IN INFORMATION MANAGEMENT WE HAVE OBTAINED WITH CRIS, WE HAVE PURCHASED SATELLITE TELEPHONES, LAPTOP COMPUTERS, PORTABLE FAX MACHINES, AND CELLULAR TELEPHONES. THESE SYSTEMS CAN ASSIST OUR CONSULAR OFFICERS TO COMMUNICATE WITH THE DEPARTMENT FROM MORE REMOTE LOCATIONS.

AS I ALLUDED TO EARLIER, MR. CHAIRMAN, THE SATCOM CAN BE, AND WAS, DISPATCHED TO THE KUWAIT BORDER WITH SAUDI ARABIA. THIS SATELLITE TELEPHONE ALLOWS A CONSULAR OFFICER LOCATED AT A REMOTE CRISIS SITE SUCH AS THE DESERTS OF SAUDI ARABIA TO COMMUNICATE DIRECTLY WITH WASHINGTON THROUGH THE UNITED STATES PUBLIC PHONE SYSTEM.

PEOPLE

AS YOU KNOW, MR. CHAIRMAN, WE HAVE MADE MAJOR STRIDES IN IMPROVING OUR ABILITY TO HANDLE CRISES INVOLVING AMERICANS ABROAD. ALL CRISES INVOLVE PEOPLE. WE LIKE TO REFER TO OURSELVES AS THE HUMAN FACE OF THE STATE DEPARTMENT. INDEED, IT IS WORTH NOTING THAT THE ONLY CONTACT MOST AMERICANS HAVE WITH THE DEPARTMENT OF STATE IS THROUGH OUR BUREAU AND ITS CONSULAR OFFICERS ABROAD. WE HELP AND ASSIST OTHER PEOPLE WHO FIND THEMSELVES, THROUGH NO FAULT OF THEIR OWN, IN A SITUATION WHICH ALL TOO OFTEN THREATENS THEIR VERY LIVES.

THROUGH OUR EXPERIENCE AND THROUGH CONSULTATIONS WITH MEDICAL EXPERTS AND OTHER EXPERIENCED GROUPS WHO DEAL WITH DISASTER AND CRIME VICTIMS, WE KNOW THAT DURING MAJOR INTERNATIONAL CRISES THE VICTIMS AND THEIR FAMILIES EXPERIENCE INTENSE FEELINGS OF FEAR, ANGER, FRUSTRATION, AND CONFUSION. IN ORDER TO ASSURE THAT OUR CONSULAR OFFICIALS BOTH HERE AND ABROAD UNDERSTAND THESE EMOTIONS AND CAN REACT TO THEM SYMPATHETICALLY, EFFICIENTLY, AND PROFESSIONALLY WE HAVE:

-- DEVELOPED A COMPREHENSIVE CRISIS MANAGEMENT TRAINING COURSE WHICH IS A PART OF THE TRAINING OF EVERY NEW OFFICER COMING TO THE BUREAU OF CONSULAR AFFAIRS.

--WORKED WITH THE FOREIGN SERVICE INSTITUTE TO INSURE THAT ALL OFFICERS FROM JUNIOR TO SENIOR LEVELS ARE EXPOSED TO CRISIS MANAGEMENT TRAINING AND LEARN HOW TO HELP PEOPLE AFFECTED BY TRAGEDIES.

--HELD EXTENSIVE CONSULTATIONS WITH BOTH GOVERNMENT AND PRIVATE EXPERTS ON DISASTER ASSISTANCE. OUR CONSULAR OFFICERS HAVE BEEN SENT TO COURSES GIVEN BY ORGANIZATIONS WHICH SPECIALIZE IN BEREAVEMENT TRAINING

-- WORKED WITH OTHER FEDERAL GOVERNMENT AGENCIES, INCLUDING THE DEPARTMENT OF HEALTH AND HUMAN SERVICES AND DEPARTMENT OF JUSTICE, AND WITH PRIVATE VICTIMS ASSOCIATIONS, SUCH AS THE NATIONAL ORGANIZATION FOR VICTIMS ASSISTANCE, AND OTHER SELF-HELP ORGANIZATIONS WHICH CAN ASSIST THE FAMILIES OF VICTIMS IN CONFRONTING THEIR DIFFICULTIES.

IN ADDITION TO OUR CONSULAR PERSONNEL WE UTILIZE OUR FELLOW CITIZENS ABROAD TO HELP US HELP THEM IN CRISES THROUGH A WARDENS' NETWORK. THE WARDEN NETWORK IS STANDARD OPERATING PROCEDURE AT ALL CONSULATES AND EMBASSIES WORLDWIDE. IT IS AN AMERICAN CITIZEN TELEPHONE CASCADE NETWORK WHICH ALLOWS CONSULATES TO DISSEMINATE INFORMATION TO THE AMERICAN COMMUNITY IN CRISIS AND PRE-CRISIS SITUATIONS. FROM THE REPORTS WE HAVE RECEIVED FROM THOSE WHO HAVE ESCAPED FROM IRAQ AND KUWAIT, OUR WARDENS' NETWORK HAS WORKED EXCEEDINGLY WELL, IN FACT BEYOND OUR GREATEST EXPECTATIONS.

BEFORE THE INVASION MEETINGS WITH THE WARDENS WERE HELD AT THE EMBASSY. AFTER THE INVASION MEETINGS WERE HELD AT LOCAL HOTELS AND AT THE EMBASSY UNTIL IRAQI ABDUCTIONS OF AMERICANS AND OTHER WESTERNERS AND THE SEALING OFF OF THE EMBASSY BY IRAQI TROOPS MADE SUCH GATHERINGS IMPOSSIBLE. SINCE THEN, THE EMBASSY AND THE WARDENS HAVE REMAINED IN CONTACT BY PHONE.

AS I HAVE DISCUSSED, MR. CHAIRMAN, WE HAVE MADE MAJOR STRIDES IN IMPROVING OUR ABILITY TO HANDLE CRISES INVOLVING AMERICANS ABROAD. OUR TASK FORCES ARE BETTER CONSTRUCTED PHYSICALLY, WE HAVE NEW COMPUTER CASE TRACKING SYSTEMS, AND WE HAVE DONE A GREAT DEAL OF TRAINING OF OUR STAFF ON HOW TO HANDLE PEOPLE IN CRISIS. THIS WAS A MAJOR HELP TO US IN THE EARLY HOURS OF IRAQ'S INVASION, ALTHOUGH TO BE FRANK, THE MAGNITUDE OF THIS CRISIS HAS MADE IT VERY DIFFICULT TO HANDLE.

LET ME DESCRIBE FOR YOU THE IMMEDIATE STEPS WE TOOK TO START HELPING OUR AMERICAN CITIZENS.

OVER THE WEEKS THAT FOLLOWED THE INVASION, OUR EMBASSIES IN KUWAIT AND IRAQ CONSISTENTLY STRESSED TO THE IRAQI GOVERNMENT THAT IT WAS RESPONSIBLE FOR THE SAFETY OF AMERICANS IN THE AREA AND IT SHOULD HELP THE EMBASSIES ARRANGE FOR ORDERLY EVACUATION OF ALL FOREIGNERS FROM THE AREA.

IT BECAME CLEAR, HOWEVER, THAT IRAQ PLANNED TO HOLD HOSTAGE FOREIGN NATIONALS AS A SHIELD AGAINST MILITARY ATTACK. THIS PUT A NEW DIMENSION INTO THE SITUATION AS IT WAS NO LONGER A MATTER ONLY OF ARRANGING AN EVACUATION BUT OF DEALING WITH A HOSTAGE SITUATION OF HISTORIC PROPORTIONS.

IN THE LAST FEW WEEKS OUR EFFORTS HAVE BEEN CONCENTRATED IN TWO DIRECTIONS. FIRST, SINCE THE ANNOUNCEMENT ON _____ THAT WOMEN AND CHILDREN AND CERTAIN MALES WOULD BE PERMITTED TO LEAVE, WE HAVE ORGANIZED A MAJOR AIRLIFT OF AMERICANS AND THEIR FAMILIES.

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WE HAVE HAD THE INVALUABLE COOPERATION OF OTHER FRIENDLY NATIONS, ESPECIALLY CANADA AND GREAT BRITAIN, IN MAKING ARRANGEMENTS FOR THESE FLIGHTS TO FREEDOM.

-- WE HAVE NOW SUCCESSFULLY COMPLETED 9 FLIGHTS SINCE SEPTEMBER 7. WE HAVE EVACUATED A TOTAL OF 1900 U.S. CITIZENS AND THEIR FAMILIES FROM KUWAIT AND IRAQ.

-- OF THESE EVACUEES APPROXIMATELY 90% WERE WOMEN AND CHILDREN.

-- THE U.S. GOVERNMENT HAS PAID FOR ALL FLIGHTS ON A COST SHARING BASIS WITH OTHER NATIONS LIKE CANADA AND GREAT BRITAIN.

-- HERE IN THE U.S., WE HAVE HAD THE INVALUABLE COOPERATION OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES, WHICH HAS TAKEN THE LEAD IN ARRANGING TO RECEIVE EVACUEES AND ASSIST THEM IN THEIR RESETTLEMENT. ALSO DEEPLY INVOLVED IN THIS EFFORT ARE INS AND THE HUMAN SERVICES AGENCIES OF THE STATES OF MARYLAND, NORTH CAROLINA, SOUTH CAROLINA, NEW JERSEY AND OTHER STATES AS WELL. MANY PRIVATE ORGANIZATIONS, NOTABLY THE RED CROSS AND THE SALVATION ARMY, HAVE ALSO BEEN VERY ACTIVE IN PROVIDING ASSISTANCE TO OUR CITIZENS AND THEIR FAMILIES WHEN THEY ARRIVE IN THE U.S. MANY OF THESE PEOPLE HAVE ARRIVED HERE WITH ONLY WHAT THEY WERE WEARING OR WITH VERY FEW OF THEIR BELONGINGS. I WOULD LIKE TO TAKE THIS OPPORTUNITY, MR. CHAIRMAN, TO EXPRESS MY DEEPEST ADMIRATION AND RESPECT FOR THE REMARKABLE JOB ALL OF THOSE INVOLVED HAVE DONE IN RESETTLING OUR COUNTRYMEN WITH COMPASSION AND EFFICIENCY.

WE THINK WE NOW HAVE MOVED ALL THE AMERICANS WHO WISH TO LEAVE AND WERE GRANTED PERMISSION BY THE IRAQIS TO DEPART FROM KUWAIT AND IRAQ. WE ESTIMATE THAT WE HAVE ABOUT 300-350 PRIVATE AMERICAN CITIZENS REMAINING IN IRAQ (INCLUDING APPROXIMATELY 90 WHO WE KNOW TO BE DETAINED BY THE IRAQIS) AND 600-700 IN KUWAIT.

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I WISH YOU TO UNDERSTAND FULLY THE EXTREME DIFFICULTIES AND DANGERS OUR CONSULAR OFFICERS IN KUWAIT AND BAGHDAD HAVE HAD TO FACE.

- ONE OF OUR CONSULAR OFFICERS IN KUWAIT CITY WAS OUT IN THE STREETS OF THE CITY WITHIN HOURS OF THE INVASION DRIVING SOUTH TO TRY AND FIND OUT IF OUR CITIZENS OUTSIDE THE CITY WERE UNHARMED.
- OUR CONSULAR STAFF IN KUWAIT RISKED THEIR LIVES VISITING THE HOTELS WHERE OUR AMERICAN CITIZENS HAD BEEN DETAINED, OFTEN INCURRING THE ANGER OF ARMED IRAQI GUARDS, TO MAKE SURE THAT AMERICANS WERE WELL CARED FOR AND THEIR NEEDS MET AS FAR AS POSSIBLE.
- OUR CONSULAR OFFICERS IN BAGHDAD BRAVELY DEFIED IRAQI SOLDIERS ON MANY OCCASIONS WHILE TRYING TO VISIT OUR CITIZENS SUDDENLY DETAINED.
- AS LATE AS LAST WEEK ONE OF OUR CONSULAR OFFICERS WAS ARRESTED AND DETAINED BY THE IRAQIS WHILE IN KUWAIT ASSISTING AMERICANS TO BOARD AN EVACUATION FLIGHT.
- FOR MORE THAN A MONTH, OUR EMBASSY OFFICIALS IN KUWAIT CITY HAVE BEEN UNABLE TO MOVE BEYOND THE EMBASSY WALLS. OPERATING IN A LITERAL STATE OF SIEGE, THEY CONTINUE TO PROVIDE ASSISTANCE TO AMERICANS IN THE AREA, INCLUDING ARRANGEMENTS FOR THE EVACUATION OF 1900 AMERICANS AND MEMBERS OF THEIR FAMILIES. FLIGHTS.

WE ARE NOW MOVING INTO A NEW PHASE:

MOST WOMEN AND CHILDREN WHO WISH TO LEAVE HAVE BEEN EVACUATED, LEAVING BEHIND THEIR HUSBANDS AND FATHERS.

TO BE FRANK THE OUTLOOK IS NOT GOOD. IN KUWAIT THE IRAQIS ARE GOING HOUSE-TO-HOUSE TRYING TO LOCATE WESTERNERS, THREATENING TO EXECUTE KUWAITIS AND OTHERS WHO ARE GIVING THEM REFUGE. WHEN LOCATED, AMERICANS THEN CONTINUE TO BE DETAINED AND TRANSFERRED TO LOCATIONS IN IRAQ WHERE THEY BECOME WHAT THE IRAQIS HAVE TERMED "SHIELDS" FOR STRATEGIC INSTALLATIONS. WE CONTINUE TO PRESS THE IRAQIS TO RELEASE ALL FOREIGN HOSTAGES AND PERMIT OUR CITIZENS TO DEPART THE AREA. IN ADDITION, WE HAVE MADE REPRESENTATIONS TO THE IRAQI GOVERNMENT VIRTUALLY EVERY DAY FOR THE RELEASE OF THOSE AMERICANS WITH SERIOUS MEDICAL PROBLEMS, INCLUDING ONE AMERICAN WHO WAS SHOT BY IRAQI SOLDIERS. WE HAVE DEMANDED ACCESS TO OUR DETAINED CITIZENS.

MEANWHILE, AT HOME WE CONTINUE TO WORK WITH A WIDE RANGE OF GOVERNMENT AND PRIVATE ORGANIZATIONS TO ASSURE THE RE-ENTRY OF THE EVACUEES WILL BE AS SMOOTH AS POSSIBLE. OUR MEDICAL CONSULTANTS INFORM US THAT FAMILIES IN THE U.S. AND THE HOSTAGES REMAINING IN KUWAIT AND IRAQ WILL HAVE MEDICAL AND PSYCHIATRIC SUPPORT NEEDS. MEDICAL COMPLICATIONS, BOTH PHYSICAL AND PSYCHIATRIC, CAN BE ANTICIPATED. WE ARE WORKING WITH THE NATIONAL ORGANIZATION FOR VICTIMS ASSISTANCE AND OTHER INTERESTED ORGANIZATIONS TO PROVIDE COUNSELING AND ASSISTANCE TO THESE FAMILIES IN DEALING WITH THEIR PERSONAL CRISES.

WE DO NOT THINK THAT THE COMING PERIOD WILL BE EASY EITHER IN TERMS OF SEARCHING FOR A RESOLUTION TO THIS CRISIS OR IN HELPING RETURNED FAMILIES ADJUST TO THE TENSION AND TERROR OF SEPARATION. WE SHARE THEIR DISTRESS AND CONCERN FOR LOVED ONES LEFT BEHIND IN KUWAIT AND IRAQ, FOR WHAT ONE HOSTAGE WIFE CALLED "THE EMOTIONAL ROLLERCOASTER OF HOPE AND DESPAIR."

I CAN ASSURE YOU, MR. CHAIRMAN, THAT MY BUREAU IS COMMITTED TO DOING EVERYTHING POSSIBLE TO ACHIEVE A SAFE RETURN OF OUR COUNTRYMEN AND TO EASING THE SUFFERING OF THEIR SEPARATED FAMILIES.

POLICY ON RELEASE OF INFORMATION

Mr. DYMALLY. Thank you, Ms. Tamposi. We certainly don't want to jeopardize the safety of any Americans abroad, and if at any time a member asks a question that you think may lead to jeopardizing anyone, we will be glad to refrain.

However, last week the State Department had some reluctance in appearing here, and yet yesterday you gave just that information to the press, a spokesperson for the State Department, that you are suggesting that we not ask you about.

The spokesperson for the State Department gave out the numbers and locations of people in Iraq, the very information that last week you thought might jeopardize them.

Do we have a dual policy? One for the media and one for Congress and the State Department?

Ms. TAMPOSI. No, Mr. Chairman. It has been a consistent policy. There has been extreme sensitivity, as you have pointed out and as I have mentioned, surrounding the numbers.

We are reluctant in open forum, in public forum, to give any kind of breakdown as to certain categories of these people. I think it was the sensitivity surrounding those numbers that initiated us to request that any discussion of those quantifiable aspects of the crisis be done in executive session.

ISSUANCE OF A TRAVEL ADVISORY

Mr. DYMALLY. Prior to the actual invasion of Kuwait, and just after the CIA informed the National Security Council that there was an impending invasion, did the State Department issue any advisory to the Americans in Kuwait and Iraq?

Ms. TAMPOSI. Upon the invasion, we issued—

Mr. DYMALLY. A travel advisory.

Ms. TAMPOSI. Yes, a travel advisory. We did in both Iraq and Kuwait. We also did in the surrounding Persian Gulf countries.

STATUS REPORT IN EMBASSIES IN IRAQ AND KUWAIT

Mr. DYMALLY. Okay. Could you give us, to the extent you don't jeopardize any security matters, a status report on the Embassies and the personnel in Kuwait and Iraq?

What are they doing for food, water, power?

Ms. TAMPOSI. Mr. Chairman, they are facing very extreme conditions.

I will begin first with Kuwait because they are under virtually a siege situation. Our Embassy's official personnel are working around the clock to provide consular assistance and that starts with the Ambassador all the way down the line.

The situation has been extremely difficult for them because they are not able to leave the Embassy. They were surrounded by Iraqi soldiers as they planned for the evacuation of 1,700 Americans—women, children and other family members—from Iraq and Kuwait.

They did so under an extraordinarily difficult set of communication circumstances, and under the siege.

Mr. DYMALLY. I am going to cut my questioning short to preserve some time for other members because of the very excellent attendance, and because we have four other witnesses.

Mr. LEVINE. Will the gentleman yield?

Mr. DYMALLY. Indeed. I will be glad to yield my time.

Mr. LEVINE. Just for clarification.

Mr. DYMALLY. Yes.

Mr. LEVINE. I think Chairman asked—

Mr. DYMALLY. Microphone please. Yes, thanks.

ISSUANCE OF TRAVEL ADVISORIES PRIOR TO IRAQ'S INVASION

Mr. LEVINE. I think the Chairman asked the witness if we issued any travel advisories or any notification prior to the invasion but after receiving intelligence reports that there may be an invasion.

I thought the witness responded by talking about what we did after the invasion. I would be interested in the witness' response precisely to the Chairman's question about whether we provided any notice to Americans prior to the invasion, but after we received information that Iraqi troops were amassing in Southern Iraq?

Ms. TAMPOSI. Well, as the record will point out, we did have travel advisories in effect for Iraq and Kuwait. They were travel warnings, travel advisories with cautionary messages.

They did not make reference to any kind of imminent invasion because the prevailing consensus was that there would not be an invasion.

Mr. DYMALLY. Could you tell us when those advisories were issued?

Ms. TAMPOSI. I can give you the exact date, Mr. Chairman, for the record. I do not have them with me, but I can submit them for the record.

Mr. DYMALLY. Ms. SNOWE.

Ms. SNOWE. How many days before the invasion did you issue the travel advisory?

Ms. TAMPOSI. They had been in effect, Congressman Snowe, but I am not sure for how long.

I can get you the exact dates for the record. The one in Iraq was predominantly about warning Americans, and made reference to the war between Iraq and Iran, that there were dangerous situations surrounding that circumstance.

I will get you the exact dates for the record.

Ms. SNOWE. But you don't have any idea whether it was the day before or two days before.

Ms. TAMPOSI. No. It was my understanding that they had been in place.

Ms. SNOWE. What? How far in advance of the invasion? Would it have been in terms of hours or days?

Ms. TAMPOSI. No. It is my impression, although I will give you the factual data for the record, that the previous travel advisories had been standing in place for perhaps several months.

Ms. SNOWE. The travel advisory within Kuwait.

Ms. TAMPOSI. The travel advisory in Kuwait and in Iraq.

[The information follows:]

Prior to the August 2 invasion of Kuwait, the Department had renewed a travel advisory for Kuwait on February 11, 1989. Similarly, a travel advisory for Iraq had been renewed on May 9, 1990. Both advisories updated previously existing advisories.

Ms. SNOWE. And what was the substance of those travel advisories?

Ms. TAMPOSI. The travel advisories were warning the Americans of the possibility of terrorist incidents in those countries.

WERE TRAVEL ADVISORIES REVISED?

Ms. SNOWE. Were those travel advisories not revised closer to the date? You received intelligence that things were changing, yet things didn't change in terms of the nature of the travel advisories.

Would it be unusual for them to issue travel advisories concerning potential terrorist acts?

Ms. TAMPOSI. They were not—

Ms. SNOWE. Would this travel advisory strike Americans as something unique as opposed to another travel advisory that might be issued by the Embassy?

Ms. TAMPOSI. The travel advisory did not change. It changed the day of the invasion, warning Americans to get out as soon as they possibly could, when the situation calmed down.

The Iraqis had told us at the initial outset of this invasion that they would let the American citizens leave both of those countries, when circumstances would allow.

We began planning for an evacuation without knowing initially that they would not live up to their promises. Thus, it was at that point that we advised, through the Voice of America, Americans to stay as low and out of sight as possible because of the existing danger to their safety.

The prevailing and driving force behind the advice that we gave the Americans was for their safety first, since the situation after the invasion was not safe. We needed to evaluate immediately what the present situation was for the Americans.

We gave them the advice to stay as low as possible. We then began planning for evacuation and we have been working on those plans ever since.

Ms. SNOWE. Why were travel advisories issued several months prior to the invasion? What had changed at that point that required you to issue travel advisories?

If you had sensed that something was happening that was serious enough to issue a travel advisory, shouldn't you have made it clear to Americans that it was important to leave Kuwait?

Ms. TAMPOSI. We had based the travel advisories on possible incidents of terrorism that may harm American citizens in each of those countries.

As I said, after the invasion, we immediately issued a warning—

Ms. SNOWE. Did you get any inquiries from Americans when you were issuing those travel advisories? That is, inquiries regarding our government's concerns about their remaining in Kuwait?

Ms. TAMPOSI. Well, Assistant Secretary Kelly came here before the committee last week and for three and a half hours addressed the situation as we understood it.

The prevailing consensus was that there was not going to be an invasion.

WHEN DID THE EMBASSY BELIEVE THE SITUATION IN KUWAIT BECAME SERIOUS?

Ms. SNOWE. At what point, did the Embassy feel that this situation was very serious prior to August 2nd?

Ms. TAMPOSI. I think that there has been a concern all along.

Ms. SNOWE. But at what point did it really change?

Ms. TAMPOSI. I think it is when the invasion occurred that our Embassy officials immediately—

Ms. SNOWE. On the day before, did you not get a different sense than you did on the day of the invasion?

Ms. TAMPOSI. No, we did not.

Ms. SNOWE. No sense of urgency.

Ms. TAMPOSI. No, we did not. I speak for the Bureau of Consular Affairs.

Ms. SNOWE. Have you communicated with the people in the Embassy in Kuwait concerning that?

Ms. TAMPOSI. We have.

Ms. SNOWE. At the time, did they express concerns prior to the invasion about what might be happening?

Ms. TAMPOSI. I think that they were as shocked and as outraged as any of us back here were about this invasion.

Mr. FALCOMAEGA. Will the gentle lady yield?

Ms. SNOWE. Yes, go ahead.

Mr. FALCOMAEGA. Okay, just as a follow-up to what Congresswoman Snowe was saying, at the point of giving this travel advisory, but here again, is the question that I raise on the time factor of alerting the citizens about the seriousness of the situation, again, if the media is giving us proper service by saying that there was proper information to give you all the warnings, but yet again there was no real effort on the part of those in those embassies, no giving real information or notice that says you've got to get out, you've got to get out.

I was told, and this was at the previous hearing with Secretary Baker, that every assurance was given I suppose to our administration that there would be no invasion, and it was on that basis, in good faith, our Government relied heavily on the assurances given by the Iraqi officials, I presume the Ambassador here in Washington, that no such invasion would take place.

I think that is just how we simply took it, and that's what caught us by surprise, despite whatever may have been the intelligence report given to those who are involved in that kind of a thing.

STATE DEPARTMENT URGES AMERICANS NOT TO LEAVE KUWAIT

Ms. SNOWE. For the first two days, is it true that our Department urged Americans not to leave Kuwait?

Ms. TAMPOSI. Yes, that is correct, Congresswoman. It was a conflict situation. We were not sure how soon it would be possible for Americans to leave Kuwait safely.

We advised them to stay as low as they possibly could and to hunker down and to wait until the situation would be safe enough for us to plan an evacuation.

Ms. SNOWE. So at that point, the border was open, is that correct?

Ms. TAMPOSI. No. The airports and the borders were closed.

Ms. SNOWE. They were closed.

Ms. TAMPOSI. That is correct.

Ms. SNOWE. So in your opinion, more Americans could not have gotten out of Kuwait in those first two days.

Ms. TAMPOSI. Well, it was a very dangerous situation. I think that we tried to advise them of the circumstances as they existed in both Iraq and Kuwait. We tried to give them information about the kinds of plans that we had in mind for evacuation.

We tried to warn them of what the conditions were in the event that they planned an escape. We tried to warn them of all possible scenarios they might be faced with.

We had given them a lot of advice through the BBC and the VOA.

CONSULAR ACTIVITIES IN KUWAIT AND IRAQ

Ms. SNOWE. You mentioned that as late as last week, one of our consular officers was arrested and detained by the Iraqis while in Kuwait assisting Americans to board an evacuation flight.

Ms. TAMPOSI. Yes.

Ms. SNOWE. Do we know of any other diplomatic personnel in that circumstance in either Kuwait or Iraq?

Ms. TAMPOSI. Not at the moment, Congressman, but I would like to point out the sheer nerve of that consular officer in going down there. He went down from Baghdad to Kuwait City to assist in the evacuation, since the largest numbers of Americans came out of Kuwait City.

His nerve in going in there and being arrested and then going back to do what he had to do to get those people out is demonstrative, I think, of that steadfastness and that defiance that our officers out there in the field are demonstrating.

Ms. SNOWE. And this consular officer is still detained by the Iraqis.

Ms. TAMPOSI. No.

Ms. SNOWE. No. He was released.

Ms. TAMPOSI. That's right.

Ms. SNOWE. I know the situation is somewhat different with our Embassy in Iraq as opposed to Kuwait. Could you tell me if they have any freedom of movement in Iraq in order to work with the Americans who are left behind in Baghdad or elsewhere in Iraq?

Ms. TAMPOSI. They have more flexibility in terms of staying in communication, but in most instances, they are not permitted to see any of our hostages. We don't have access to them. The Iraqis know full well where they are and what their situation is.

In Kuwait, it is a very different situation. They cannot leave that Embassy and any communication that they have with the families and with the people that are in hiding or that are still there is very, very difficult.

Ms. SNOWE. I appreciate your testimony and I also want to express our appreciation to our diplomatic personnel in a very difficult situation. We know they are working under some very, very difficult conditions.

It makes us appreciate the fact that our diplomatic personnel are on the front lines. We are now seeing it in a fashion that we had hoped would never occur again. I appreciate your testimony today.

Thank you.

Mr. DYMALLY. Mr. Lantos.

TRAVEL ADVISORIES AND THE IRAQI INVASION

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

Ms. Tamposi, let me stipulate at the outset that I consider you a very able administrator, but I do not consider you a policy-maker in this context.

I would like you to state for the record and for the benefit of the committee, whether, in fact, you called the basic judgments on this whole matter, or whether you basically executed policy set by others?

Ms. TAMPOSI. Yes, Mr. Congressman. For the record, my bureau, the Bureau of Consular Affairs, is involved in managing a crisis. The policy aspects of any crisis is determined by other Administration officials.

Mr. LANTOS. I knew this, Secretary Tamposi, but I thought it was very important to get it on the record because I want to be very clear, that my observations are in no sense critical of you or your staff, and certainly not critical of the staff of our Embassies in Kuwait and Iraq.

I think these people at the front lines deserve all of our respect, admiration, and appreciation, as do your people who have been working around the clock. I want to stipulate that for the record.

I think it is also true that a pattern of misjudging Iraq, one event after another, over an entire decade, beginning with the taking out of Iraq's developing nuclear capability at Osirak in 1981 by Israel, the unwillingness to support sanctions after the use of poison gas by Saddam Hussein against his own people, and the unwillingness to read the intelligence which, of course, could have been read in Time magazine and Newsweek about the tremendous military build-up engaged by Saddam Hussein prior to the invasion, should have cautioned policy-makers to take some precautions.

Now, my good friend and colleague, Congresswoman Snowe referred several times to the timing of the travel advisories. May I ask a generic question? Do updating of travel advisories initiate in your bureau, or do they come from the analytical bureaus which, in recognizing that the danger to American citizens has suddenly escalated, advise your bureau to issue a new travel advisory?

Is that the process?

Ms. TAMPOSI. In part, that is the process, Congressman. We also rely on information from our officers out in the field about local conditions, and it is in concert with the policy bureau that we will issue a travel advisory.

Mr. LANTOS. Well, the thing that puzzled Congresswoman Snowe and certainly is puzzling me is that your comment concerning your travel advisories relate to terrorist incidents, when to the best of my knowledge, there have been no terrorist incidents in Kuwait for a long, long time.

Apparently there was no travel advisory with respect to this tremendous build-up of an enormous armada by Saddam Hussein on the Kuwaiti border.

I need to know, we need to know, was there any discussion with your policy-making colleagues and/or superiors concerning the issuance of a very urgent and pressing travel advisory or travel ban to the area?

More importantly, was there any in-house discussion at the level of Assistant Secretary of State with respect to the evacuation of American citizens?

I mean, clearly when Saddam Hussein brought in these huge numbers of troops and tanks and helicopters and artillery and aircraft, there was at least the possibility that an invasion would take place.

Some people in the State Department suddenly like to use the term 20/20 hindsight. Some of us have been cautioning about this long before the invasion. There is no hindsight involved here on the part of some people.

Was there a discussion of evacuating American citizens living in Kuwait and Iraq just prior to the invasion?

Ms. TAMPOSI. None that I am aware of, Mr. Chairman, that involved my bureau.

Mr. LANTOS. Okay. Was there any discussion, Secretary Tamposi, involving your bureau with respect to upgrading the travel advisory or imposing a travel ban on the area?

Ms. TAMPOSI. There was no discussion about upgrading, but as I state, there was already a travel advisory in effect in both countries.

Mr. LANTOS. But that really doesn't quite answer my question because that travel advisory, and I know you will submit it for the record, had been in effect for a long time.

Clearly there was a dramatic change in the situation. Now, in response to that dramatic change, i.e., a tremendous escalation of danger for American citizens, no one above you advised you to issue a new travel advisory or a travel ban, is that correct?

Ms. TAMPOSI. Yes, and I believe that is because the prevailing consensus was that there would not be an invasion.

ASSESSMENT OF THE LIKELIHOOD OF AN IRAQI INVASION

Mr. LANTOS. Well, the prevailing consensus, as we so clearly see, was dead wrong. I still wonder, however, about the logic behind that prevailing consensus.

The prevailing consensus, and I am not blaming you for this either, let me stipulate that, I am blaming the policy-makers, the prevailing consensus was that there was no chance that there would be an invasion.

Was that the impression you got? Or the chances were one in three or one in five or one in ten?

Ms. TAMPOSI. That issue was not discussed in that vein. Our bureau is one that does not make judgments about——

Mr. LANTOS. I understand that.

Ms. TAMPOSI. Anticipated events.

Mr. LANTOS. But you are advised by the functional geographic bureau.

Ms. TAMPOSI. Yes.

Mr. LANTOS. How many discussions——

Ms. TAMPOSI. As a matter of process, we do take the advice from the field as well as from the policy bureau to issue that advisory.

Mr. LANTOS. When did you have your last substantive discussion with Secretary Kelly on the subject of danger to American citizens in Kuwait and in Iraq prior to the invasion?

Ms. TAMPOSI. Well, Secretary Kelly and I had discussions over the course of the last several months about all of the Middle East, and in particular, about certain countries where we had determined that there was a risk to American citizens.

We have had an on-going dialogue between our two bureaus over the proper kind of advice to give to Americans abroad.

Mr. LANTOS. Was there any discussion in response to the tremendous military escalation by Saddam Hussein's forces?

Ms. TAMPOSI. No, there was not. Not between our bureaus.

Mr. LANTOS. Not between your bureaus.

Ms. TAMPOSI. That's right.

Mr. LANTOS. So between the Near East Bureau and the consular bureau, there was no dialogue as Saddam Hussein built up his enormous military capability.

Ms. TAMPOSI. To the best of my knowledge, that is correct.

Mr. LANTOS. Why do you think there was no such discussion, Ms. Tamposi?

Ms. TAMPOSI. Well, Mr. Congressman, it is difficult for me to speculate. I come back to the position that had it been their best judgment that there was going to be an invasion, and that the lives of the Americans would be at risk, then we would have had a dialogue.

Mr. LANTOS. Was there any discussion at all at the level of Assistant Secretary of evacuating American citizens from Kuwait or Iraq prior to the invasion?

Ms. TAMPOSI. No, there was not.

DECISION-MAKING ON ADVICE TO U.S. CITIZENS

Mr. LANTOS. May I ask whose decision was it, during the first two days when an evacuation could have taken place, to hunker down and to take no moves, make no moves?

Ms. TAMPOSI. That was the consensus from out in the field in Iraq and Kuwait and also back in Washington. It was made by a number of different bureaus that are involved in the management of the crisis.

It involves the policy bureaus as well as the other bureaus that participate in the task force.

Mr. LANTOS. In retrospect, do you think you were given proper guidance and advice by your superiors? You take your job very se-

riously. You are trying to do an outstanding job of managing a complex bureau, and I accept that and commend you for it.

Do you feel you were let down by not being given the right advice?

Ms. TAMPOSI. No. Quite to the contrary, Mr. Congressman, I would like to say that the situation made it very important that safety was the prevailing concern that drove any kind of decision.

Mr. LANTOS. But safety would have resulted in getting these people out as the danger increased.

Ms. TAMPOSI. If I may, Mr. Congressman, with all due respect, the circumstances as we understood it, and what our officers out in the field understood it to be, was that the desert conditions were extremely difficult.

We are dealing with temperatures of 120 to 130 degree heat. People would have to take a four-wheel drive vehicle and drive for hours through difficult desert conditons.

Mr. LANTOS. No, I'm talking about prior to the invasion now.

Ms. TAMPOSI. No, prior to the invasion there was no discussion.

Mr. LANTOS. There was no discussion to the best of your knowledge of evacuating American citizens.

Ms. TAMPOSI. That is correct.

Mr. LANTOS. And to the best of your knowledge, there was no discussion of imposing a travel ban of American citizens to the area.

Ms. TAMPOSI. Not in that vein.

Mr. LANTOS. In retrospect, do you think the guidance you received from the policy-makers on both of those grounds was sound?

Ms. TAMPOSI. Based on what they knew and understood, and their best judgment, that's what we did.

Mr. LANTOS. But it is their best judgment which is at issue. That is the issue, whether it was good judgment or not, whether it would not have been better judgment to place a travel ban by American citizens to the area as Saddam Hussein was threatening and building up his forces, and whether it would not have been better judgment to evacuate American citizens.

Ms. TAMPOSI. Yes, Mr. Congressman. That observation you have very clearly stated, and it has often been referred to as hindsight, but it was the understanding that this is the way that they engage in business, that they will begin to build up troops, that they will begin to threaten, and that this was something that—

Mr. LANTOS. Was anybody aware of the fact that Iraq invaded Iran earlier? There was an eight year war in the area with the same armies that Saddam Hussein used to invade Kuwait.

Ms. TAMPOSI. Yes, Mr. Congressman. That was very much part of our understanding of what we knew.

Mr. LANTOS. When did you last see Secretary Kelly prior to the invasion?

Ms. TAMPOSI. We had talked by telephone and as I said, it had been several weeks prior to the invasion that we had had a discussion about certain areas of the Middle East.

Mr. LANTOS. But not specifically—

Mr. DYMALLY. The gentleman's time has expired.

Mr. LANTOS. Thank you, Mr. Chairman. Thank you, Ms. Tamposi.

Mr. DYMALLY. We have been joined by the Chairman of the Subcommittee on the Middle East. He has another engagement and must leave shortly and therefore, if the members don't mind, I would like to call on Mr. Hamilton.

Mr. HAMILTON. Mr. Chairman, I appreciate very much your courtesy in recognizing me. I am tardy and I apologize to the witness for that, and to you and my colleagues, and I will wait my turn.

Thank you very much.

Mr. DYMALLY. Thank you very much. Mr. Levine.

WAS THE CONSULAR BUREAU PRIVY TO INTELLIGENCE INFORMATION?

Mr. LEVINE. Thank you, Mr. Chairman. Let me emphasize what my colleague, Mr. Lantos, emphasized at the outset. I share Mr. Lantos' view that you are doing a superb job, and your staff is doing a superb job.

I underscore his statement that nobody here in terms of the questions that we are posing to you is holding you accountable with regard to the policy that is being made.

Unfortunately, there are too many efforts, I think, to hold people who are not in policy-making positions responsible for policy that is imposed upon them.

I think that you have made very, very clear that there was a prevailing consensus and you were simply in a position to implement policy based on that consensus and based upon the decisions that had been made by people above you.

That having been said, I must say that the situation that is reflected by your very candid and honest testimony is a deeply disturbing situation. I believe you are being a very good soldier, Ms. Tamposi, when you say that you were not let down.

I think the facts speak for themselves. Let me tell you the dilemma that I find myself in, and I suspect that other members find themselves in this dilemma as well.

I believe that the administration's policy caught up with reality on the morning of August 2nd. This policy has become very effective in successfully implementing a plan to internationally isolate Saddam Hussein. By seeking a combination of international, diplomatic mechanisms and the movement of American men into the region, the United States and the entire international community is saying to Saddam Hussein that naked aggression cannot succeed and cannot go unchallenged.

I support that policy and I think that the policy since August 2nd along those lines has been superb. I very much want it to succeed and I know that my colleagues want to see it succeed on both sides of the aisle.

I am very concerned about the lenses through which policy-makers in this administration have viewed this part of the world until August the 2nd. Unfortunately, one element of evaluating the lenses through which this region of the world was viewed is this whole set of assumptions and the prevailing consensus, as you put it, that despite overwhelming evidence to the contrary, aggressive Iraqi behavior was not expected.

We are in a very serious crisis today that we all very much hope will be resolved satisfactorily. However we need to analyze the

manner in which this region will be reviewed both during this crisis and subsequent to this crisis. I hope we can expect a more hard-headed analysis from the policy-makers that have been developing this prevailing consensus prospectively than we had before.

And as Mr. Lantos very appropriately emphasizes, while that may be identified as 20/20 hindsight by some people, there are a number of people in the Congress who were urging the administration to recognize the realities on the ground for some time.

I would be interested in knowing, Ms. Tamposi, whether or not your department was privy to any of the intelligence information as to the nature of the Iraqi build-up prior to the invasion? Were discussions held in your department pertaining to the intelligence on the Iraqi build-up?

Ms. TAMPOSI. The Iraqi build-up was a matter of public knowledge prior to the invasion, and again, the sense that we had from the Bureau of Consular Affairs was that it did not pose any specific threat to any of our Americans there.

FROM WHERE DOES CONSULAR AFFAIRS RECEIVE ITS ORDERS?

Mr. LEVINE. Procedurally, where does your Department receive its orders? Where does the policy come from that goes to your department?

Ms. TAMPOSI. Well, as I mentioned earlier, it comes from a number of different sources. If we get indications from our consular officers in the field or other Embassy officials that the situation is a threat to American citizens, we will then take the information to the policy bureau that handles that region of the world, and we would determine whether or not a travel advisory is the proper way to go.

WHAT STEPS SHOULD THE STATE DEPARTMENT HAVE TAKEN?

Mr. LEVINE. I know time is short and we have other very important witnesses, but let me just ask you one question in hindsight from your perspective.

If a similar set of circumstances were to develop in the future, looking at them now from where you sit today, what steps do you believe might be taken that were not taken? What contingency plans might our Government take in the future if a similar incident such as this were to occur?

Ms. TAMPOSI. Well, Mr. Congressman, the question implies that there was something that we could have done or that we should have done based on what we understood to be the situation. I would like to defend our bureau's actions and the actions of those that were in the decision-making positions.

From what they understood, we did what we thought was the right thing to do.

Mr. LEVINE. So you agree then that even if there were 100 to 150,000 troops massed upon a border, there should be no different contingency plans taken in the future, that were any different from the activities and planning that occurred in this last sad situation?

Ms. TAMPOSI. Well, I think that there is no question looking to the future, that extreme attention will be given to these kinds of

matters, but that's not to say that it wasn't in the past, or that it didn't happen in this situation.

Yes, there are a number of things that we could have done differently, but we did what we thought was the right thing to do under the circumstances.

Mr. LEVINE. I don't want to belabor the point, and I do believe you are in a very, very difficult position, and again, I don't hold you personally accountable for it. However, I do believe that when there is a prevailing consensus that led to a policy that was so clearly inadequate until August the 2nd, that it does call for a re-evaluation or a re-analysis of just how we got there.

I do believe you are doing, and your department is doing everything you possibly can on behalf of American citizens. I commend you for that. I would hope that we would, in the future, try to analyze what got us into this prevailing consensus which was proved so dramatically wrong the morning of August the 2nd.

Mr. DYMALLY. Thank you very much. Mr. Smith of New Jersey.

NUMBER OF AMERICANS WHO HAVE ESCAPED OR BEEN EVACUATED

Mr. SMITH of New Jersey. Thank you, Mr. Chairman, and Ms. Tamposi, I welcome you to the committee and I appreciate your testimony. I regret that I was late to hear the oral presentation, but I have just come from another hearing where was I testifying.

I have a few questions I would like to pose to you. First, can you tell us how many Americans have been evacuated out of Iraq by official charters, how many have gotten out on their own?

You point out on page 12 that most women and children who wish to leave have been evacuated, leaving behind their husbands and fathers. How many women and children remain today in Iraq and Kuwait?

Ms. TAMPOSI. With respect to how many have been evacuated, we have evacuated 1900 American citizens and other family members. We have reports of—

Mr. SMITH of New Jersey. Is that by charter?

Ms. TAMPOSI. Yes.

Mr. SMITH of New Jersey. Okay, by charter.

Ms. TAMPOSI. Yes, that's by charter. We have had nine flights since September 7th.

Mr. SMITH of New Jersey. All right.

Ms. TAMPOSI. And the flights leave from Kuwait City to Baghdad, usually stop over in London for a night, and then they come to any number of different states, for example, New Jersey, Maryland, North Carolina and South Carolina and here in Washington, D.C. at Dulles.

We estimate that 350 to 400 Americans have escaped from both Iraq and Kuwait, 160 of which came over the Saudi border.

We have left still in those countries, we are estimating, between 300 and 350 in Iraq, and between 600 and 700 in Kuwait.

We need to go into an executive session if you would like a breakdown of the number of women and children.

Mr. SMITH of New Jersey. That will have to wait then. In light of expected U.N. Security Council action most likely today extending the embargo against Iraq to include air traffic or at least certain

air traffic, do you expect any more charter flights in the near future to evacuate additional Americans?

Ms. TAMPOSI. We believe that we have evacuated all the Americans and other family members that are permitted to leave. However, if there are others that come to our attention, we will do everything to get them out, either by charter or by other means.

Mr. SMITH of New Jersey. My understanding is that the State Department has requested re-programming authority to shift \$1.5 million from the state salaries and expenses to the emergency account to cover any additional evacuations over the next weeks.

Were you able to cover all the evacuations to date? Are there any problems with cost?

Ms. TAMPOSI. Not to my knowledge.

Mr. SMITH of New Jersey. If additional evacuations occurred in the next few days, would you be able to cover it?

Ms. TAMPOSI. Yes, I believe that we could.

ASSISTANCE OFFERED TO EVACUEES BY THE U.S. GOVERNMENT

Mr. SMITH of New Jersey. You point out in your testimony that a number of those who have been evacuated or who escaped will be requiring at the least some medical, if not psychological, assistance to get over the trauma that they have experienced. What kind of help are we providing to those people? Are official Federal dollars helping them get over this crisis?

And, are you considering at all using some of the Iraqi assets that have been frozen to compensate these people?

Ms. TAMPOSI. I think that the cooperative efforts at all levels of government was best reflected at Baltimore-Washington International Airport when I went out to meet a flight of returning hostages.

We had HSS there. We had FEMA. We had other voluntary agencies like the International Red Cross and the Salvation Army working in concert to provide them food and assistance. It is really remarkable, they even had racks of clothes for the kids.

They took into consideration every contingency to help these people when they got here. I think it has been a good effort and we are working very closely, as I mentioned, with the state and the local human welfare authorities to give the kind of assistance that the families will need as they return.

We are also working very closely with the National Organization of Victims Assistance which is an organization that can help us with some of the psychiatric and bereavement aspects of this crisis that the families will be facing.

BRAVERY OF U.S. EMBASSY OFFICERS

Mr. SMITH of New Jersey. You point out in your testimony several acts of bravery and heroism on the part of the consular officers. I thought you might take a moment to speak to that issue, how they have gone out into the streets despite considerable risks to themselves and to their lives in order to perform their jobs.

I think this needs to be reported. It is an unheralded story that has not been told, and I think the American people should be well

aware that these people are acting courageously on behalf of our own people.

Ms. TAMPOSI. Yes, Mr. Congressman. It is a remarkable story of human bravery, of those that have put their own personal safety beneath the welfare of their fellow Americans.

Starting in each of the Embassies, up in Baghdad we had our Chargé, Joe Wilson who went right into the Rashid Hotel and told Americans to get out and to come with him, because he knew that they were going to be under some threat.

He has continually gone to the Iraqi Foreign Ministry and demanded that all Americans be allowed to leave. We have all of our officers at the Embassy, from the top all the way down, providing that kind of assistance.

We have another consular officer who went daily to these hotels to check on their welfare and their well-being. He went while they were pointing guns at him as he went into that hotel.

We have an officer in Kuwait, a consular officer, a young woman who went out into the streets just after the invasion, before she even knew it was safe, to try to contact and to ascertain the whereabouts of the Americans that she knew about.

But it has been a concerted effort by all the staff in the embassies, from Chargé Wilson and Ambassador Howell all the way down the line.

They are pitching in to give the kind of assistance that our American citizens need at this time.

Mr. SMITH of New Jersey. I think they should know that they have the gratitude of the Congress and certainly of the Executive Branch and of the American people.

You do point out in your testimony that as late as last week, one of the consular officers was arrested and detained by the Iraqis while in Kuwait, assisting Americans to board an evacuation flight.

Is there any update as to that particular person's fate?

Ms. TAMPOSI. He was released shortly thereafter.

Mr. SMITH of New Jersey. Was he?

Ms. TAMPOSI. And he assisted in the evacuation.

Mr. SMITH of New Jersey. Are there any Americans in prison or in detention as of now, as members of the consular or the missions to those countries?

Ms. TAMPOSI. Not official Americans, but we do have 93 Americans that are held as hostages at this moment.

Mr. SMITH of New Jersey. I thank you, and I want to commend you for the fine job you are doing.

I yield back the balance of my time.

Mr. DYMALLY. Thank you very much. Mr. Weiss.

POLICY PROCESS WITH RESPECT TO TRAVEL ADVISORIES

Mr. WEISS. Thank you very much, Mr. Chairman. Madam Secretary, I still am uncertain about the process, and so perhaps you can clarify some of it for me.

Your testimony was, I think, that you receive advise from the policy bureau, the geographical bureaus, and in addition you receive information from people out in the field, the embassies out in

the field, the consulate officers in the field, upon which you make your judgment as to whether to issue advisories or bans.

Now, can I assume from that, then, that the judgment as to whether to issue those advisories or not is in your hands? Is it you who make those judgments?

Ms. TAMPOSI. No, it is not solely our judgment. It is the judgment of those in the field. We consider ourselves here as advocates for the protection of Americans overseas, and thus the Bureau of Consulate Affairs becomes involved.

We also have the policy bureau.

Mr. WEISS. Who ultimately makes the decision?

Ms. TAMPOSI. Well, if the two bureaus that are involved in this issue can agree, then—

Mr. WEISS. The two bureaus being?

Ms. TAMPOSI. The two bureaus meaning the consular bureau and the policy bureau can agree that a travel advisory should be in effect, then we will issue a travel advisory.

If there is some dissension from either one of the bureaus then it will be decided by our superiors.

Mr. WEISS. So that the judgment in this instance was made individually and jointly by the consular bureau and the policy bureau, is that correct?

Ms. TAMPOSI. That is correct.

Mr. WEISS. And—

Ms. TAMPOSI. But let me make a qualification.

Mr. WEISS. Yes.

Ms. TAMPOSI. The travel advisories standing in Iraq and Kuwait had been a concerted effort.

Mr. WEISS. But the policy, the determination, the judgment not to issue a travel advisory or a travel ban was a joint decision, an individual and a joint decision by your bureau and the policy bureau, is that correct?

Ms. TAMPOSI. Well, there was no deliberate decision not to issue.

Mr. WEISS. Well, you had testified here that the general consensus was that there was no problem. In order to arrive at consensus, you have to have a discussion, I assume. You don't just grab it out of thin air.

On what basis was the consensus arrived at?

Ms. TAMPOSI. Well, that is not a decision that I participated in. Assistant Secretary Kelly was here last week to try to describe the circumstances surrounding these events.

Mr. WEISS. I am trying to determine what your input was, and what your bureau's input was on this.

Ms. TAMPOSI. We did not give any kind of advice or issue any kind of travel advisory, other than what was in place at the time.

Mr. WEISS. And you didn't consider it at all.

Ms. TAMPOSI. That was not an item for discussion or consideration.

Mr. WEISS. You didn't think about it.

Ms. TAMPOSI. It is not something that we focused on.

Mr. WEISS. That is bizarre. That is strange. I mean, I assume that if you don't read anything else, you read the wire reports, the newspaper reports as to what Saddam Hussein's threats had been,

and what his statements had been. I assume that you were reading those.

Ms. TAMPOSI. Well, it was a matter of public information as to what was going on in the situation.

Mr. WEISS. Right.

Ms. TAMPOSI. And in the area.

Mr. WEISS. Okay, and I assume that you were aware of the troop movements.

Ms. TAMPOSI. Excuse me.

Mr. WEISS. You were aware of the troop movements, the troop massing by Iraq.

Ms. TAMPOSI. Well, as I mentioned earlier, that is something that our bureau, the Bureau of Consular Affairs had not focused on.

Mr. WEISS. You were aware of it. Never mind you focusing on it. You were aware of it.

Ms. TAMPOSI. Well, as I said, yes. We were aware of the situation with the troops, but it is not something that we focused on because when there is any kind of predictive situation about what may happen or what may not happen, that is a policy decision.

Mr. WEISS. You see, I can understand that. What I cannot understand is that, given what your responsibilities are, and given the situation as it was developing, that it would not occur to you that, in fact, maybe it is something you ought to be focusing on.

I find that extremely strange, and I really think that you might want to review what your processes are if, in fact, a situation which was stark and obvious to the entire world as to what was happening, what the potentials were for what was happening, did not trigger any kind of thought process in your mind or anybody else's that gee, maybe we ought to think about the safety of Americans in those areas.

Thank you, Mr. Chairman.

Mr. DYMALLY. Thank you, Mr. Weiss. Mr. Faleomavaega.

AMOUNT OF ATTENTION PAID TO TRAVEL ADVISORIES

Mr. FALEOMAVAEGA. Thank you, Mr. Chairman. Madam Secretary, we had discussed earlier the issue of travel advisories.

Would you agree with this observation, that while travel advisories were issued, that nobody paid any attention to them?

Ms. TAMPOSI. I'm sorry, Mr. Congressman. Would you please repeat that?

Mr. FALEOMAVAEGA. Would you agree that if travel advisories were issued prior to the invasions, to American citizens who were living both in Kuwait and Baghdad, nobody seems to pay any attention to them.

Does that give an impression—at least I get the impression that you issue travel advisories but nobody really seems to be taking them seriously. Is it because of their different degrees or varying degrees of advisories that are issued like a red flag, a yellow flag. Is that one of the problems that may have caused confusion, that maybe there really wasn't a crisis pending or that American lives were at risk?

Ms. TAMPOSI. We do have varying degrees of travel advisories. We issue them to as many people as we can in the American

public. It is done through our travel agents and public announcements.

We try to inform as many people as we possibly can of the dangers. We also have guidance where people can call in and ask for travel advisories for any particular country in the world.

We can give them the most up-to-date information that we have.

But as you know, when people travel, oftentimes they do not consult with their travel agent. They travel wherever they wish to go.

Oftentimes they do not consult with the Department of State about what circumstances might be occurring in that particular country.

Mr. FALCOMA. Would you suggest that perhaps this is one area where a policy consideration could be made, that when American citizens do travel to areas such as Kuwait or Iraq, that the embassy should have information and the whereabouts of American citizens, not only traveling but those also working in their civilians capacities?

Ms. TAMPOSI. It's been—

Mr. FALCOMA. Do you suppose that maybe this could be a policy consideration that we ought to examine in view of what has happened, especially in a very volatile area like the Middle East?

Ms. TAMPOSI. Yes, Mr. Congressman, we do have that kind of process where those kinds of decisions are made. When we believe that there is going to be a threat, an advisory will be issued and we do that in every country where there is any kind of indication from the field or from our analysts that there is a problem.

Mr. FALCOMA. But what I am saying is that despite the issuance of the travel advisories, did our Embassies receive any responses from the American citizens? Hey, something is coming down the line, are you going to do something about it?

I get the impression that you just issue it but nobody is really serious about it. So what is the sense of issuing advisories if nobody is going to pay any attention to them?

Ms. TAMPOSI. That is part of the risk that we run with any kind of public announcement, that people will just ignore it. We try to bring the proper balance, giving the information when it is necessary and when people need to be informed, and also to be conscious of not using that forum for issuing advisory after advisory through public announcements.

Mr. FALCOMA. Do you think—

Ms. TAMPOSI. As you know, in Europe this past December we did make a general announcement about possible terrorist incidents and we have issued a number of announcements in the past to try to inform Americans by the most direct and effective manner possible.

Mr. FALCOMA. What were the total number of American citizens that were in both Baghdad or in Iraq as well as Kuwait prior to the invasion? Approximately?

Ms. TAMPOSI. Our best estimates were that there were 2,500 Americans in Kuwait and that there were 580 Americans in Iraq, but again, as I pointed out in my testimony, the methods of ascertaining the exact numbers were difficult because of the variety of factors involved.

For example, some people didn't register with us at our embassies.

Mr. FALCOMAVAEGA. That's why I'm raising the question, Madam Secretary. Do you think that perhaps the State Department can, by executive order, issue a policy relating to this problem, given the sensitivities and how crisis-oriented the Middle East has been for the last how many years?

I am trying to figure what we can do constructively to see that we can prevent or lessen as much of the problems that we are faced with now, with this number of American citizens whose lives are at stake.

I am just trying to probe into this advisory thing. If it is not an effective system, what can we do to improve it?

Ms. TAMPOSI. Yes, we are constantly evaluating and re-evaluating that particular aspect of our responsibilities.

Mr. FALCOMAVAEGA. Can I ask you to submit for the record, and perhaps Mr. Chairman, with your permission, that your bureau in concert with other bureaus of the State Department exactly what are you going to be doing about travel advisories if they are ineffective? What can you do to make them more effective?

Would that be a fair request?

Ms. TAMPOSI. Yes, I would be happy to submit that.¹

OPERATIONAL STATUS OF EMBASSIES IN KUWAIT AND IRAQ

Mr. FALCOMAVAEGA. Okay, thank you. Another question, Madam Secretary.

What exactly is the operational status of our embassies now in Kuwait and also in Iraq?

Ms. TAMPOSI. The operational status at our Embassy in Kuwait is a siege situation. Our officials are not allowed to leave.

Mr. FALCOMAVAEGA. Right.

Ms. TAMPOSI. They are faced with extreme heat and dust. Our air-conditioning is not working. We are making every effort to be of assistance to the Americans that are in Kuwait. We are using a variety of methods to contact them.

In Baghdad, the situation is not very encouraging. Our officials there are working in concert. They have been primarily involved, up until this stage of the crisis, with the evaluation of the situation so that we could give the right advice to Americans. They have been working primarily with the evacuations.

Now that the evacuations are over, we are now going into the next phase of consolidation.

Mr. FALCOMAVAEGA. On the question of economic sanctions, my concern is that when it comes down to a food crisis that will eventually occur in Iraq, American citizens will probably be given the least, probably the lowest priority to receive basic sustenance for life, and I am very concerned about that.

Are we doing anything to see that food provisions could be given to those, especially to our officials in the embassies?

Is the Iraqi Government cooperating in any way in making sure that our officials there are at least given the basics?

¹ The Subcommittee has not received this information as of the date of publication.

Ms. TAMPOSI. To my knowledge, they are not assisting or cooperating with us at all. I suppose that a good barometer for the conditions that exist in both countries will be measured by when people start turning themselves in because of poor conditions.

HEALTH AND WELL-BEING OF AMERICAN HOSTAGES

Mr. FALEOMAVAEGA. What is the total number of lives, U.S. lives that have been lost since the invasion? How many Americans have lost their lives since the invasion?

Ms. TAMPOSI. We have one American citizen that sadly died while he was a hostage.

Mr. FALEOMAVAEGA. So one hostage dead.

Ms. TAMPOSI. Yes.

Mr. FALEOMAVAEGA. And what about the others?

Ms. TAMPOSI. Well, we have 69 Americans right now that have serious medical conditions which run the gamut of a whole variety of problems. We are very concerned about them.

We have demanded from the Iraqi Government access to them. We want to be able to provide them with the kind of assistance they need from a medical standpoint.

They have given us the callous and vicious response that they are not going to permit that.

Mr. FALEOMAVAEGA. You know, Madam Secretary, I think this is quite obvious of what has happened. There is an expression in the Hawaiian language called Waha. It means a lot of hot air, but no substance really is going to be happening since the invasion.

One question, the total number of Iraqi citizens living in the U.S., do we have an accounting for that?

Ms. TAMPOSI. I don't right here but I can provide that for the record.

Mr. FALEOMAVAEGA. Are there any serious concerns about possible terrorists among these people now residing in our own country?

Ms. TAMPOSI. Well, as you know, we have the visa mechanism that provides a screen for us to prevent terrorists and other unwanted individuals from getting into this country. We are keeping a very close watch on who's coming and who's going.

Mr. FALEOMAVAEGA. But you have no accounting of how many Iraqi citizens live in the U.S. right now.

Ms. TAMPOSI. Yes, but I don't have it with me at the moment.

Mr. FALEOMAVAEGA. Would you submit that for the record?

Ms. TAMPOSI. Yes, I would.

Mr. FALEOMAVAEGA. And can you also submit for the record the total number of U.S. citizens who died as a result, since the invasion, can you submit that for the record also?

Ms. TAMPOSI. Yes, I can.

Mr. FALEOMAVAEGA. Thank you. Thank you, Mr. Chairman.

[The information follows:]

The Immigration Service has informed us that on September 27, 1990 there were approximately 4,425 Iraqi non-immigrants (students, tourists, businessmen, etc.) in the United States. Additionally, there are 13,904 Iraqi nationals who have Permanent Resident Alien status in the United States.

The Immigration and Naturalization Service and the Federal Bureau of Investigation have jurisdiction over foreigners in the United States. The Department of State is cooperating with both agencies in implementing security measures concerning visa issuance in response to the crisis.

To our knowledge, James Lemuel Worthington, Jr. is the only private American citizen who died since the August 2, 1990 Iraqi invasion of Kuwait. Mr. Worthington was a consultant with the al Al Ahli Bank of Kuwait and was taken from the Kuwait International Hotel on August 16 by Iraqi troops and transported to Basra, Iraq.

In Basra on August 17, Mr. Worthington apparently died in his sleep of a heart attack. On August 27, Assistant Secretary Elizabeth M. Tamposi and Consular Officer, John D. Markey attended his funeral service in Woodstock, New York.

Mr. DYMALLY. Thank you very much. Mr. Smith of Florida.

FAILURE TO ALTER TRAVEL ADVISORIES

Mr. SMITH of Florida. Thank you, Mr. Chairman. Ms. Tamposi, some of my colleagues have been praising you for all of the good work that you are doing, and I am very sure that you are doing as much as you can in your bureau and with your people out in those countries, and the ones that have been set up here for crisis management to ensure that the safety of Americans now is a primary concern, and everything that you can do to see, whether or not, we can bring them home.

My problem is, like the other members before me, unfortunately we can't help but have to go backwards rather than forward on this issue.

I am just curious, now that we have established that you are only really a management bureau as opposed to making policy, whether or not you have any hand at all in any of the goings on in the State Department, until somebody hands off this emergency crisis to you, or the football, so-to-speak.

Is it your department's, your bureau's policy, consular affairs, not to make recommendations about the possibility of the imposition of a travel advisory, or the upgrading of an existing travel advisory?

Or do you just wait for someone else to pass you the word down the line, so that you then do whatever you have to do, according to whatever the game plan is?

Ms. TAMPOSI. Well, Congressman, it is within our area of responsibility to make recommendations. As I said, it is made in concert with other bureaus within the Department and it was our best judgment that what we had in place was the best that we could do.

Mr. SMITH of Florida. So you and your bureau did not recommend the upgrading of the existing regional travel advisory on the basis of terrorism at any time prior to the invasion of Kuwait by Iraq. Is that a correct statement?

Ms. TAMPOSI. That is correct, Mr. Congressman, but if I may, I would like to give some explanation as to what the role of the consular officer is out in the field.

We rely in many instances on their assessment of a situation.

With our consular officers, they really do not engage in pre-judging or predicting what's going to happen in a situation. That is something that other administration officials, and other bureaus within the Department, spend a considerable amount of their time and energy on.

Our focus is to be able to respond as quickly, compassionately, and professionally as we possibly can and be as pro-active as we can with the response.

Mr. SMITH of Florida. I understand that, but if in fact the people in the field upon whom you rely for recommendations, for your recommendation about whether to institute a travel advisory or upgrade one are not meant to give you any kind of real time information, not to be colored by anything, then what good is having a recommendation come from the consular people in the field?

If they are not going to tell you what their gut reaction is, those troops are going to come spilling over the border, and they don't tell you that, then what good is it taking any recommendations from them at all?

Ms. TAMPOSI. Well, Congressman, with all due respect, I would like to say that our consular officers really do not engage in any kind of speculative analysis on what may happen politically in a country.

That is the role of other officers in other bureaus within the Department. Our officers mainly respond to a situation that they are faced with out in the field.

Mr. SMITH of Florida. Fine, then let's forget about them. But Mrs. Tamposi, you make a recommendation to anybody in the State Department that based on your analysis, not their analysis in the field, but yours as the head of the Bureau of Consular Affairs, that your own people were in trouble, that there was a very strong possibility that there would be an invasion and you wanted to take precautions to protect your own people, as well as the lives of other Americans in the area.

Did you do that?

Ms. TAMPOSI. That is a factor that is always considered in any country or any situation.

Mr. SMITH of Florida. Ms. Tamposi, we are only talking about this situation.

Ms. TAMPOSI. Right.

Mr. SMITH of Florida. Did you make that recommendation?

Ms. TAMPOSI. There was not a conscious recommendation on my part.

FAILURE TO ADVISE AMERICAN CITIZENS

Mr. SMITH of Florida. Okay. Did anyone that you know of in the State Department recommend a travel advisory upgrade for the purpose of warning Americans? Was there any communication between the Embassy at all and the Americans especially in Kuwait with reference to the very real possibility that an invasion might take place, since 100,000 to 150,000 troops were amassing on the Kuwaiti border?

Did anybody communicate with the Americans who were then in Kuwait, the people who we are discussing here—consular officers know when they take the job, that they know, may find themselves in this terribly significantly dangerous situation.

But average Americans don't. They rely on somebody else to do all of the intelligence thinking for them. Average Americans, if they get on a plane and want to go on a vacation, generally don't call the State Department and ask how bad is it, unless they have been advised in advance that there is something wrong in that

area. That is what travel advisories are all about, I guess, to begin with.

Did anybody deem it appropriate to notify Americans that they should consider leaving? Did the consul, did the Ambassador, did the Embassy, did anybody put out any kind of information to the almost 3,000 Americans on the street, we don't think there might be an invasion but there are 150,000 Iraqi troops sitting 72 miles away, and we would urge you to think about that?

Did anybody do any of that?

Ms. TAMPOSI. No, the best of my knowledge.

Mr. SMITH of Florida. No. Okay. Now, when the invasion took place and thereafter, for the first few days after—since it was only about a day maximum that the real fighting went on, there was some still significant freedom for Americans, am I correct? They were still capable of walking the streets.

They didn't all go into hiding. The Embassy was still in contact with them. Some of them were visiting the Embassy, am I correct?

Ms. TAMPOSI. Well—

Mr. SMITH of Florida. For the first few days.

Ms. TAMPOSI. For the first days after the invasion there were Iraqi soldiers in Kuwait City that were firing guns. You have heard the news accounts. We have heard from family members that are coming back that it was a very difficult and dangerous situation.

Our advice to the Americans, because safety is first and foremost, was to tell them to lay low until we could make a judgment about how soon we could get them out.

WAS ANY IMMEDIATE EFFORT ORGANIZED TO GET AMERICANS OUT?

Mr. SMITH of Florida. All right, to the best of your knowledge, after advising them to stay low, I guess whoever thought to call the Embassy or whoever the Embassy could reach, advising them to stay low and go into hiding, did the Embassy of the United States in Kuwait, or the State Department to you, the Embassy, make any recommendations with reference to an organized effort right then and there to get Americans out?

Ms. TAMPOSI. That was considered and it was our judgment not to do it. I would like to say in retrospect that that is something that I think was the best judgment because an organized convoy out of the Embassies at that moment could have ended in a disaster.

We had troops being deployed and mobilized. We had desert conditions with 120 to 130 degree temperatures—

Mr. SMITH of Florida. Why did you need a convoy? You had ships in the Gulf, am I not right? Is there not a harbor at Kuwait City? Were there not hundreds of vessels available, including United States military naval vessels right there in the Gulf, just a few miles offshore, Kuwait City?

What kind of convoy through the desert was necessary, Madam Secretary?

Ms. TAMPOSI. Well, the borders were closed, the airports were closed. Our people were not permitted to leave.

Mr. SMITH of Florida. Was there a discussion about an organized effort to free Americans then trapped in Kuwait City by either an

airlift with American military transport planes, or privately chartered aircraft, or sealift by virtue of American ships or other foreign national ships then in the Gulf, just offshore Kuwait City?

Was there any such discussion that you participated in or you know about or you had to make recommendations to?

Ms. TAMPOSI. Yes, there were extensive thoughts given to those circumstances, and options, and we found that with an organized convoy the possibility existed that they could be rounded up. That happened with the British.

And it was that first ominous sign that prompted us to make the decision to say let's wait and evaluate and find out what exactly we can negotiate with the Iraqis.

They told us that our people could leave. We were operating under the presumption that our people could leave.

WHY DID WE BELIEVE SADDAM WHEN HE SAID AMERICANS COULD
LEAVE?

Mr. SMITH of Florida. And let's stop there, because this is one of the areas that I find the most fascinating of all. Our best intelligence was examined by those in charge of examining intelligence, and their final analysis of all the intelligence, and the State Department was a heavy participant in this, was that the Iraqis would not invade.

That was wrong. Now, we are faced with a situation a few days after that, that you and I are discussing now, where we are analyzing the intelligence and other information and we now have to make a determination whether or not to try to get, on an organized basis, Americans out of Kuwait.

And you are telling me that we had assurances by the man that had just lied to us that he wouldn't invade and we relied on those assurances to wait a few more days to see if he would let the Americans out.

Is that what you're telling us?

Ms. TAMPOSI. That's what I'm telling you, because this is the first instance, so egregious an instance, where a country has not honored its obligation to let private citizens out in a conflict.

It is in defiance of our consular agreements.

Mr. SMITH of Florida. You mean, we weren't shocked enough by his lying to us about not invading. We had to wait to be shocked again by virtue of his lying to us about letting all of the Americans go, for us to be impressed now that such outrageous conduct could actually be participated in by some civilized country?

Ms. TAMPOSI. Well, sir, we ran—

Mr. SMITH of Florida. Was Hitler on another planet?

Ms. TAMPOSI. Well, sir—

Mr. SMITH of Florida. Are you kidding?

Ms. TAMPOSI. We ran a huge risk, because there were soldiers firing in the street. We ran the risk of giving advice to Americans that may not have been in their best interest.

Mr. SMITH of Florida. Now, did we not believe that the longer the passage of time, assuming he had lied again, that he in fact would not let them out, even though he said he would, would have been

more hazardous, more significantly dangerous to their safety and their welfare, than if we had tried something earlier?

Or did we think that we would have to wait that period of time no matter what because the President did not make any effort to internationally challenge him to let them go?

I mean, was it your judgment on balance that it would have been better to wait that extra time, even though we had to rely on a liar who was killing people right in front of us, then and there, in Kuwait?

I have read Mr. Ewald's testimony. I don't know if you have, but Mr. Ewald's testimony is very, very interesting. You ought to read it, if you haven't.

But they were killing other people and stealing everything and invading homes, etc. Now, we made a judgment in that context that it was better to wait to see if this man, and this army that he controlled, was this time telling the truth and he would let our people go, instead of making the judgment we ought to try and get them out now, before they all become permanently at risk and possibly killed, all of them? Or held as hostages? Or shields, which some of us predicted, that they would be taken for shields and put in installations?

That's what you're telling me was the balance, correct? That it felt on balance that this is what you had to do. That was the better course of action.

Ms. TAMPOSI. It is because of those circumstances that we made the judgment to do what we did. Because of the firing, because they were rounding up people, because they were threatening people, because they were killing people, that it was better for them to stay low until we could ascertain the circumstances.

Mr. DYMALLY. The gentleman's time has expired.

Mr. SMITH of Florida. Thank you.

Mr. DYMALLY. Mr. Torricelli.

STATEMENT BY MR. TORRICELLI

Mr. TORRICELLI. Thank you, Mr. Chairman. Ms. Tamposi, so much has been said and so many things have been asked that there may not be much about our conversation that can be different. I will just try to make it somewhat more direct.

The victimization of Americans in Kuwait really began with the failure of judgment in the United States State Department. While the intelligence community was debating the possibilities of an invasion, the President was conferring with world leaders about what assurances Saddam Hussein was giving.

Even the Soviet Union had been informed by the CIA of the changes of a military confrontation. It appears that no officials in the State Department thought it necessary to warn American citizens to either evacuate Kuwait or to avoid traveling there.

Innocent American citizens landed only moments before an invasion. Now, indeed it is correct that no one could know with any certainty whether an invasion was going to occur, or what events would transpire.

But the chances for that confrontation were great enough that the intelligence agencies of this country were briefing senior officials and diplomatic activity was taking place around the globe.

Certainly the chances of a loss of life, the dangers were real enough that some warning could be given, flights averted, people asked to make plans for their own personal safety.

There are two analyses taking place with this crisis in Kuwait. There is a newspaper analysis which provides the President with considerable support for the actions, the daily actions of his administration.

But there is another one of history that is going to find severe lapses of judgment over the course of two administrations, ranging from failures of energy policies to accommodating Saddam Hussein, to a failure to deal with this military threat, to the inability of our State Department to warn our own citizens. It is too early to write history, but there are chapters which are becoming very clear.

I promised to be direct with you, and I will, Ms. Tamposi. You have a real chance of being featured in this historic analysis. It may not ultimately be your responsibility to issue an advisory to Americans that they are finding themselves in harm's way, but any senior official of the State Department, recognizing the drumbeat of military activity and the dire warnings of our intelligence agencies, had a basic responsibility to issue an alarm.

Now, ultimately that responsibility rests with the President of the United States and the Secretary of State, but there is no senior official of the State Department who ultimately will escape responsibility.

Perhaps this crisis will pass and the lives of these innocent Americans will not be lost. That is more doubtful with every passing day. And in a time of crisis, we are going to withhold certain judgments because we basically support the policy that the President has now announced, to defend Saudi Arabia and attempt to reverse the crisis of Kuwait.

But there is a judgment that is coming, and Mr. Baker and Mr. Bush are going to have some families which are going to hold them accountable, if not the American people who will hold them accountable for the fact that we are, that we have this dependence for our energy and our economy, and that we allowed for so long Saddam Hussein to not be recognized for the threat that he represents.

I don't know what else to ask you, Ms. Tamposi. I would welcome any of your response. I do not relish having to confront you with these sad realities, but it is part of Government responsibility.

American citizens don't ask a lot of their Government, but when they travel out of this nation to foreign lands, they have a right to expect that their Government is frank with them.

We went through a painful experience where American citizens boarded a Pan Am plane, having received no warning from their Government that there were threats of terrorism, and they lost their lives.

There are people in this State Department who vowed that Americans would never be victims again without sharing an intelligence and without knowing of the dangers of their travels.

Not much time has elapsed, and exactly the same dangers and potentially the same loss of life has occurred with no warning, although it was available to every senior official of this Government.

Ms. Tamposi, on August 1st, if your family had asked you about the wisdom of traveling to Kuwait City, you would have told them not to go there. If on August 1st, my family had asked me about traveling to Kuwait City, I would have told them not to venture there.

The hundreds of Americans who live there, hundreds there who were boarding planes that would land in Kuwait City were entitled to the same warning. It is too late, tragically, to do anything for them now, but this conversation is not some academic exercise.

If it has real value, it is that those that are responsible are held accountable because that is the only real measure that these same errors not take place again.

Kuwait may be the latest crisis in American diplomacy, but it will not be the last, and either you and those who succeed you, or Mr. Baker and whoever might succeed him, must recognize from this hearing or from the conversations that will follow it, that we demand a more accountable system and personnel who will be more sensitive to the lives of Americans, and ensure that American policy isn't simply the movement of tanks, airplanes and ships.

That it is ultimately designed for the protection of American citizens. This Government, Ms. Tamposi, let American citizens down. It is the responsibility of this committee and this Congress to assure that it does not happen again.

Mr. Chairman, I thank you for this time. I would invite any response Ms. Tamposi may want to give, in fairness. I have no questions. I think they have been asked to the point of exhaustion by my colleagues.

Mr. DYMALLY. Ms. Tamposi.

Ms. TAMPOSI. Thank you. I have no further comment.

Mr. DYMALLY. Mr. Payne.

SITUATION OF THE U.S. EMBASSY IN KUWAIT

Mr. PAYNE. Thank you very much, Mr. Chairman. I'm sorry to be late because of conflict, and also sorry not to have had the privilege to hear the testimony from the representative from the State Department.

I certainly share some of the concerns that we, as Americans, have as it relates to our general policy abroad, as it affects our employees, our representatives of the State Department, whether it be in the Middle East, in the Far East or elsewhere.

We have seen too many times in the recent past that there have been situations that are compromising for persons in our embassies. We have seen in Moscow an Embassy built which we wonder now what to do with because when the Soviets built it, they decided to put listening devices in it, something to me that seems basically fundamental, that you wouldn't let your then enemy build your building, but we did.

We've seen signals go out too late from our experts here to our employees abroad, and I think we have a responsibility for at-

tempting to get the best of our population to represent us abroad in the world of diplomatic relations.

But it is going to be increasingly more difficult when our tremendous network is unable to predict and anticipate situations that therefore become a situation as dangerous for Americans abroad.

I would just like to ask you a specific question as it relates to the American Embassy in Kuwait.

What are your instructions to our Ambassador there? Is the Embassy to remain open as long as possible? Are there supplies? Are supplies getting in and coming out? I understand that there are 20 diplomatic personnel in Kuwait and Iraq. Are there 10 and 10—10 in Kuwait, 10 in Iraq, or are they divided in another way?

And as we all know, at our Embassies, we have marines that are at all of our installations. Do we have U.S. Marines there and what is the situation as it relates to them?

Do you know whether there are U.S. citizens in the Embassy compounds? Whether they are coming in? Whether they are those that are there?

And finally, if the Iraqis intend to enter the compound, what is the instruction, firstly, if we have marines there, and secondly, if we don't? What should occur? What is the plan for our representatives there?

Ms. TAMPOSI. Well, the situation in Kuwait as it now exists is that our Ambassador Howell has kept that flag flying around the clock. He has it flying as a symbol of his steadfastness, determination and defiance of what's going on.

It is there to symbolize that we, the Embassy, our officers are there to provide assistance to Americans and he has it flood-lit at night. There is no question of our determination to keep the Embassy open.

And with respect to the numbers, we do have less than 20 in each of the countries, official Embassy personnel, but with respect to others, I would, if you would so permit, I would like that to go into an executive session to describe that further, if I may.

Mr. DYMALLY. Well, time does not permit us to do that today, but we will certainly take you up on that invitation.

Mr. PAYNE. I would—

Mr. DYMALLY. I do want to advise Ms. Tamposi that some of the information which she has withheld from the committee was given out yesterday by Ms. Tutwiler to the press. So if you look at the transcript of her press conference, you might observe that some of the information which you are reluctant to give the committee has already been made public.

Ms. TAMPOSI. Mr. Chairman, if I may clarify that point, our reluctance had to do with more the breakdown of the numbers and where people might be staying.

Mr. DYMALLY. Well, she gave a breakdown of the numbers, not where they are staying.

Ms. TAMPOSI. What constituted citizens in those categories of breakdown.

WHICH COUNTRIES STILL HAVE EMBASSIES OPEN IN KUWAIT?

Mr. PAYNE. And also classified you feel is the question of U.S. Marines.

I just have another question regarding embassies. Are there any other countries that have Embassies that remain open in Kuwait, to your knowledge?

Ms. TAMPOSI. I believe that there are a number of embassies that remain open, and I don't have them with me at the moment, but I can supply that for the record.

Mr. PAYNE. Okay, Mr. Chairman. Thank you very much.

[The information follows:]

As of November 6, 1990, the only embassies that are open and have diplomatic personnel are the United States, Great Britain, Tunisia and Bahrain.

Mr. DYMALLY. Thank you very much. Ms. Tamposi, thank you very much. You have been with us for approximately two hours. One more question from Ms. Snowe.

CONCERNS THAT THE CRISIS MANAGEMENT SYSTEM IS NOT WORKING WELL

Ms. SNOWE. Ms. Tamposi, I have been reviewing testimony that will be given by Mr. Saba. I would urge you to look at this testimony, because it is somewhat disconcerting.

You mentioned in your testimony that, in response to the various crises that have existed with the Pan Am 103, Tiananmen Square, El Salvador, etc., we have responded by creating a crisis management system.

I have concerns that that crisis management system hasn't been working well. This is based on his testimony and his experiences in Iraq with the Embassy, as well as the experiences of his wife with the task force here in Washington.

I would like to have a response to these issues from you to this committee. This is precisely the situation that we tried to address in the aftermath of Pan Am 103 concerning the inability of the Department to respond to the families by providing the information, accurate information, up-to-date information and being responsive.

If the system isn't working, we need to address that. He raises a number of issues, not only within the Department, that I think that you have to address.

So I would like to have a response in writing from you regarding the circumstances that he mentions. I won't get into it because there are numerous issues that have been raised that are questionable about whether or not your system is working well.

It is no good if the system doesn't work in times of a crisis or in times of an emergency. That's when it should be working. It is clear to me that he makes some very good, constructive suggestions as to what we ought to do in the future.

Whether the Embassy is under siege or facing some very severe circumstances, it seems to me we ought to have a clear process and a procedure. It concerns me that, as he mentions in his testimony, the Embassy could not use funds for buses and cars to evacuate some of the individuals to the border.

I think that is unfortunate. There was blantant miscommunication regarding his status in Iraq. He had already departed, but his wife got different information from the task force.

So clearly something needs to be changed. We have to make sure that in a crisis, that we have a process that works.

Ms. TAMPOSI. Thank you, Congresswoman. I will very carefully and diligently look over the testimony of Mr. Saba. I know that there are some people that are not happy with the response that our consul officers have given them, and I know things aren't perfect.

I would like to say, though, that we look for constructive criticism. Anything that we can do to improve, I am willing to adopt if it is a good suggestion.

I perfectly understand, though, that he may not be happy with our response. I would like to say though that with respect to the kinds of elements that support our crisis management capability—the systems, the process, the people—we have made enormous strides in the last year for refining them.

We constantly evaluate and re-evaluate them. With respect to people, we have trained over 200 officers to deal with these kinds of difficult hostage situations.

TRAINING OF THE CRISIS MANAGEMENT TEAM

Ms. SNOWE. But were the individuals at the Embassy in Iraq trained to respond to a crisis?

Ms. TAMPOSI. Yes. There is training that has been going on, in Washington as well as out in the field. It is captured in terms of process. It is captured in our task force handbook here in Washington. We also have emergency response plans at the post.

We have trained over 200 officers this year alone in all aspects of crisis management. Our systems are light-years ahead of what they were during Pan Am 103 when we had a card file system. Now we have some very sophisticated software and hardware that helps us to track the welfare and whereabouts of cases and of individual citizens that are in hostile environments.

We also have our task force operating around the clock to provide assistance here in Washington. Our officers, as you know, out in the field have given extraordinary responses to the circumstances that Americans are faced with.

Also on the issue of people, that is our greatest asset. We are looking toward going to a special case method with families that need this special assistance, and as I mentioned, I know that everyone is not happy.

I am here to take that constructive criticism and try to improve on the systems that I think we have made tremendous strides with.

Ms. SNOWE. Well, as you know, anybody is very vulnerable in those kinds of situations. I think that when they are looking toward the Embassy to give assistance the Embassy should be there. If the advice is somewhat confusing and is not clearly understood, then I think it is communicated to those who need to depend on the Embassy for advice and counsel.

As you know, in that kind of emergency situation, it would make you very nervous to get the feeling that the Embassy wasn't really

sure what to do. It obviously doesn't give the assurances and the confidence that they are going to proceed in the direction to give the kind of advice you need.

I just think that people have to be trained and go through trial sessions on a crisis. How do you respond? We have a number of cases, unfortunately, that would help our diplomatic personnel to assist in those kinds of situations.

Obviously the procedures have to be fully understood.

Ms. TAMPOSI. Right.

Ms. SNOWE. I would appreciate it if you could respond. I think he makes some excellent and constructive suggestions that we should take to heart and use to build upon for the future.

Thank you.

Ms. TAMPOSI. I will.

[The information follows:]

A point by point discussion of Mr. Saba's concerns as stated in his testimony follows:

We are frankly not sure of what to make of Michael Saba.

-- He has criticized the State Department, although most of his criticisms are factually incorrect.

-- On the other hand, he sent us a letter in which he proposed that for \$85,000 he would study our crisis management system -- a subject on which he lacks expertise.

We are also concerned that he has not been fair in his presentation of events which occurred during his stay in Baghdad and Amman.

First let ^e me say that I recognize we make mistakes, but not as many as Mr. Saba would have you believe.

In order to understand events, it is important to recall during the dates in question, August 2 through 8, we were assisting in the drawdown and evacuation of some 3,000 American dependents and non-essential personnel from the Eastern Province of Saudi Arabia, in addition to assisting those in Iraq and Kuwait.

In Baghdad:

SABA: The embassy would not share its information on Americans stranded due to privacy regulations. This was a major obstacle to the sharing of information.

1. Privacy Regulations In a crisis situation, privacy regulations do not apply, and the Embassy could have shared its list of Americans wardens and other information with Mr. Saba if they had wished. It is important to stress, however, they did not feel that such a distribution of information was necessary given the fact that they were in contact with the American community through their warden system and through regular meetings with the business community.

There is another vital point. In Iraq, activities of the American Embassy are closely monitored by Iraqi authorities. Given the nature of the regime, many Iraqi

Americans are hesitant from having personal information available to others for obvious reasons. We did inform family members in the US of vital information. In Mr Saba's case we note regular calls between our task force and his wife.

Embassy personnel could not be sent to the Iraq/Jordan and Iraq/Turkey borders to ascertain whether they were open or passable. Had this been done and the information passed on most Americans with temporary visas would have been able to depart on the 7th and 8th August.

2. As Mr. Saba was informed at the time, due to Iraqi regulations governing the travel of foreign diplomats, the Embassy could not send one of its three diplomatic cars to the border without first giving the Iraqis seven days notice. During the period Mr. Saba mentions the Iraqi's had stated that westerners could only depart Iraq via Turkey. The Embassy was trying to clarify the policy and arrange for an orderly departure of Americans from both Kuwait and Iraq, preferably by air. If Iraq proved unwilling to open its airports to commercial flights, we were studying the possibility of arranging a caravan to the Turkish border. During this period, the physical security of Americans was not threatened by events on the Kuwait borders (and indeed was not until several days later when the Iraqis took the unprecedented step of

taking them hostage.) The Embassy was advising U.S. citizens not to break Iraqi law in attempting to bolt for the border.

In addition on August 8, at about 10:00 A.M. Jordanian time, CNN, Reuters and Italian sources reported 8-to 10 cars of westerners were turned back at the Iraqi/Jordanian border. Indeed although Mr. Saba was permitted through, two foreigners were arrested.

Earlier in the day despite numerous inquiries, the Iraqi authorities still refused to allow Americans to leave unless they had an exit visa. To further complicate matters, Iraqi authorities would constantly change or fail to follow procedures recently promulgated. A practice which continues today.

If borders were found to be open, no transportation was available via the embassy.

3. Had the borders actually been safely open, the Embassy would have arranged for the orderly departure of its citizens by bus.

The embassy could not allow us to place calls on its open lines in order to communicate with our families when other lines of communication were closed.

4. The Embassy which was attempting to deal with the crisis and keep all AmCits informed of fast breaking events, was not able to permit private use of the three Embassy telephone lines at this time. The Embassy did however pass telegraphic messages from Mr. Saba through the Department's Task Force to his wife. Mr. Saba was also able to get a commercial call through.

Embassy has no funds to provide in emergency situations. Even the normal procedures for destitute Americans were not applicable.

5. While the Embassy in Iraq like all US embassies, does have sufficient US dollars to handle normal operations, such a ready supply of U.S. dollar currency is not sufficient to handle all the contingencies of a crisis. No embassy would have such funds always on hand. It was, however, able to make funds available to destitute Americans and did so. It was forced, however, to abide by US law and by U.S. Treasury regulations to change any U.S. currency at official rates which can be unfavorable when compared with other rates of exchange.

The embassy could not communicate with our embassies in Jordan and Turkey to assist those of us who planned to depart on our own or to share information.

6. The Embassy could and did communicate through the State Department Task Force to Amman, Jordan.

The messages from DCM Wilson to Washington regarding the situation in Iraq did not seem to be getting through.

7. DCM Joseph Wilson informs us that he is absolutely certain that his messages to Washington concerning Mr. Saba and this crisis were being read and being heard perfectly.

Amman

There was no standard de-briefing process.

1. Debriefing There is a standard debriefing program which we coordinate and has participants from all interested USG agencies. (The existence of this debriefing program is classified and sensitive.) Mr. Saba did not attempt to contact the Embassy after his arrival in Jordan. The Embassy (the Charge) contacted Mr. Saba to debrief him and inform him his information would be transmitted to Baghdad and Washington.

The debriefing was transmitted to Embassy Baghdad and to the State Department. While Mr. Saba was able to escape on the 8th, other westerners were turned back the same

day. The route was arduous and uncertain and the Embassy could not recommend it as safe.

The embassy could not communicate with the embassy in Baghdad to let other Americans know we had arrived safely and the other should proceed.

2. In general, it is also important to point out that the Embassy in Amman did receive word from the task force that Amcits were attempting a land crossing prior to Mr Saba 's arrival on August 8. On August 7, we sent instructions to all area posts to meet and assist Amcits leaving Iraq and Kuwait.

Our charge in Amman put together a reception team. He was unsure of what time the Amcits would actually arrive, (It can take between 8 to 10 hours to drive from Baghdad to the border. Saba says he did it in six.) In the interim, our Charge contacted the British embassy which also had people attempting to cross. The Brits agreed to assist any AmCits as per standing agreement between our two countries. Unfortunately, our embassy border team arrived a couple of hours after Saba arrived at the border.

The embassy could not assist in departure from Jordan (this became important as normal commercial airline flights were quickly fully booked).

3. Mr. Saba did not request Embassy assistance with onward transportation and decline embassy offers of assistance.

Task Force

General lack of information what was happening in Iraq.

1. We have as much information as is available on events in Iraq through information communicated to us directly from our embassy staff. The Iraqis have never permitted us to have access to the hostages. However, every effort was made by our staff to assess the situation and any resultant new information was immediately communicated to the task force.

The Task Force is unable to pass on information laterally, i.e. between families.

2. The task force can only pass information to relatives. For obvious reasons we cannot pass information about one American citizen to another without that person's consent.

The Task Force is unable to offer referral services.

3. The task force does offer referral services. We have

establish close relationships with NOVA, the Red Cross, USA GIVE, Health and Human Services etc. What we cannot do, however, is tell one of the helping organizations that a particular hostage family needs financial or counselling help with that families consent.

Family members are unable to communicate with a single person but only with an office.

4. Initially we could not set up the caseworker program because there were too many families. At the outset we had more than 3,000 persons in Kuwait and Iraq, not counting the more than 20,000 amcits in Saudi Arabia. We now have a caseworker system in place.

Incorrect information is being relayed.

5. In a crisis the coordination of information is very difficult as events move quickly. Frequently what happens is not that the information is incorrect but rather that it is out of date (overtaken by events) as the fast moving crisis develops. We agree however that this is a problem, one which we are always trying to fix by upgrades to our crisis management systems.

The lack of a plan or procedures to deal with such crisis situations and implement evacuation steps immediately.

1. Embassy Baghdad had a fully functioning warden system which proved an effective way of communicating with

Americans during this period. The Embassy, not Mr. Saba, arranged for daily meetings with businessmen. The Embassy did provide transportation to the meetings everyday although there was some miscommunication the first day. Embassy Baghdad of course has an evacuation plan. However, it had to be modified from moment to moment. in light of the Iraqi refusal to permit commercial or other air carriers into Baghdad and Kuwait.

The inability of one entity to communicate and share information with another. Had the embassy in Jordan or the Task Force in Washington immediately contacted the embassy in Baghdad to advise them that I and others had safely crossed the border - that departure was possible - many other Americans could have safely departed Iraq.

2. As pointed out above, Amman and the Task Force did communicate with Baghdad and Kuwait. Others were not advised to leave because other westerners who tried were turned back or arrested.

The Inability of the embassy to "act on its feet" to deal with crisis and avoid being so limited by bureaucratic procedures.

3. We feel Baghdad reacted well "on its feet" as did Kuwait. We are glad Mr. Saba was able to take the initiative and succeed in evacuating himself by taxi. Such a method did not seem advisable for moving large numbers of Americans some with small children, especially since we had information the route to Jordan was closed and that we had no reason to believe people would be unduly detained.

Mr. DYMALLY. Thank you, Ms. Snowe. Ms. Tamposi, thank you very much for your testimony. I hope that you can leave someone here to hear the testimony of the fugitive hostages, escapees. We promised not to call them or to identify them for security reasons.

Ms. TAMPOSI. Thank you.

Mr. DYMALLY. I'm being funny, Ms. Tamposi.

We will recess and reconvene exactly at 1:00 o'clock, so if you go to the cafeteria, go to the fast food line, not the steak and potatoes line.

[A brief recess was taken from 12:42 p.m. until 1:20 p.m.]

HEARING RESUMES ITS SITTING

Mr. DYMALLY. The Subcommittee on International Operations will now reconvene for a hearing on the issue of U.S. citizens and the American embassies in Iraq and Kuwait.

Let me first inform the witnesses that we may have some interruptions because I understand there are about three amendments on the floor.

So let us call first Mr. Saba, Mr. Eladhari, and Mr. Ewald as the three witnesses.

As the witnesses approach the table, let me note the presence of Assemblywoman Maxine Waters who is with us today and who will be the next Assemblywoman from the 29th District, replacing Congressman Gus Hawkins.

We are pleased to have Ms. Waters with us today.

Let me also make an announcement. USAGIVE is an organization to help victims' families and they are willing to take phone calls from families who have loved ones in Kuwait and Baghdad.

The number is 1-800-USA-GIVE, 1-800-USA-GIVE. Thank you very much.

Mr. Saba, please identify yourself for the record.

STATEMENT OF MICHAEL SABA, AMERICAN ESCAPEE FROM IRAQ AND FOUNDER OF THE COMING HOME COMMITTEE, PRESIDENT OF GULFAMERICA

Mr. SABA. My name is Michael Saba, and I am the President of the Saba-Hansen Group which operates largely under the name GULFAMERICA, which is a company that facilitates trade and commercial relationships between the U.S. and the six nations of the Gulf Cooperation Council—Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates.

Mr. DYMALLY. May I suggest to the witnesses, because of the time constraints and the possibility we may have several amendments, that their entire testimony will be entered into the record and they could summarize for us. I think that would be more dramatic than reading their testimony.

Mr. SABA. Thank you. I would like to start by just saying that based on the testimony that I heard this morning, I don't know if the State Department's handling of this situation amounts to a Kuwait-Gate, and I think it is moving in that direction.

But I did personally witness some mistakes and some disorganization which, if they were analyzed properly, I think could be in

the future, could have a tremendous effect on the situation not happening the same.

I was in the Gulf for the last two weeks of July, had been in Saudi Arabia and Bahrain prior to going up to Iraq, and was organizing for a conference which we do every two years called GULFAMERICA, which actually puts American and Gulf companies together.

I had been invited to Iraq to meet with the Iraq Chambers of Commerce to discuss with Iraqi citizens the possibility of their participation in the conference, and before I went up, I had arranged a meeting with April Glaspie who was the American Ambassador in Iraq, from the United States, and had a meeting scheduled with her for the 31st of July.

While I was still in Saudi Arabia, I heard stories of the troop build-ups, but these reports, by the way, were generally disregarded by both the Americans that I talked to in the Gulf and Saudi Arabia, and for that matter, the Saudis.

The worst case scenario that was described to me by one Saudi was that the possibility of Iraq maybe invading one of the small islands off of the coast, Bubiyan. But that was the worst case scenario.

I spent the last few days of July in Bahrain and my wife, who by the way was eight and a half months pregnant at this time, called me and said, you know, maybe I shouldn't go up to Iraq.

She'd been hearing things on the news in the United States and hearing about the troop build-up. And the last time I was scheduled to go to Iraq was in March of '90 and I didn't go because of the execution of the British guy of Iranian background, but I decided I would that day call the American Embassy in Bahrain, double-check what was the situation.

They said, no problem, you can go up if you want. If there were travel advisories, as was mentioned previously, I heard nothing about these travel advisories in the comments made by the American Embassy. And then called the American Embassy in Baghdad, and they said the same, come on up, there's no reason why Americans shouldn't be there. This was two days before the invasion.

So I went up to Baghdad. The first day I was there I met Joseph Wilson who was the DCM. Glaspie had left, and I was very surprised about this because of the nature of the troop build-up and things that were happening, I was called by the American Embassy in Baghdad and told the meeting was changed on somewhere before the 30th of July and I would be meeting with the DCM.

I met with the DCM, Joseph Wilson. He was very enthusiastic about the business possibilities, and he, again, gave me no indication, even when I asked him point-blank, that there was any threat to Americans at all there.

The next couple of days in Baghdad were very productive. I signed up 25 or 30 Iraqi companies, got some ministers and deputy ministers involved. And I think this is an important factor, by the way, because, in the future we're all concerned about what's going to happen between our relationship and Iraq and, is everybody in Iraq against America?

No evidence that I have indicated that the business community was against America. In fact, they were very enthusiastic about

doing business with America. I met with the relatively small American business community there and met Bob Vinton of Johnson Controls who is sort of the de facto head of the American business community.

When I first arrived there he looked at me and he said, "Mike, you've just arrived in Indiana Jones country." Well, that proved to be more than just a statement on his part. He, by the way, is one of the people that is currently either being held hostage or missing.

I repeatedly questioned officials at the American Embassy about the Iraqi troop build-up over the course of the next two days—the 31st of July, the 1st of August, and even on the 2nd of August, when I made my first contact, I got no answer, I was going to ask them again.

I was told consistently not to be alarmed, that there was no problem.

Now, at the same time, I was hearing over the Voice of America that the troop build-up had gone from 30,000 Iraqi troop build-up on the Kuwaiti border, 30,000 to 70,000 to 100,000.

When I heard that the meeting had broken down between the Iraqis and Kuwaitis in Jeddah which was called by King Fahd on the 1st of August, I felt a sense of doom.

I called the Embassy about that, and again, no problem.

The differences that existed between Iraq and Kuwait were being stated both by the American press, the Western press, and for that matter, the Iraqi press. There was a significant difference between the way it was being reported in the Western press and in the Iraqi press.

I met with Mr. Nizar Hamdoun who is the Deputy Foreign Minister of Iraq, who was the Ambassador here in the United States before he went back to Iraq, and I had met him in Washington.

He again mentioned nothing about any particular difficulties, but he did tell me about the concern that the Iraqis had with the Kuwaitis.

As I was in his office, we were watching live on television, on CNN, pictures of the Iraqi troop build-up in Kuwait, and then on the 1st of August, I had a meeting with the American business community who, by the way, expressed concern about the very sanctions that the members of Congress were talking about implementing in Iraq.

Now this is on the 1st of August, and they were saying they felt it would hurt their business if these sanctions were implemented.

So the American business community was not negative to Iraq, nor was the Iraq business community negative to the United States.

I got a couple of calls that night, the night of the 1st from my wife again, saying you should get out, and I said, no, they tell me here everything is fine. The next morning I got into a taxi and was going to try to go to some meetings at the airport, and the taxi driver told me that I couldn't get out of Kuwait.

I went back to the hotel, the Sheridan Hotel at that point, and I was told that this was a minor problem. They didn't foresee any great difficulties, that I probably would be able to leave in a day or two, but some minor problem had existed.

I decided to call the Embassy to find out what was going on. This was on the 2nd of August. They said they weren't sure, they were evaluating the situation.

Several Americans got together in the hotel that day and said we really need to know what's going on, so we pressed the Embassy, and they agreed to have a meeting with us at 6:00 p.m. that night.

At the same time, we are listening to the Voice of America, and it is telling us that there has been a massive invasion of Kuwait, there is fighting in the streets, etc.

All right, now I am going to tell you about some specifics of what happened vis a vis the Embassy, and each one of these isolated might have just been a mistake the Embassy made, but you take them all together in a life and death situation, and you find that it created a tremendous problem for all of us there.

They said they would send cars for us to pick us up at the hotel, because, again, we didn't know what the situation was on the streets, on the streets of Baghdad. We waited and waited and no cars came, so we had to take taxis.

Once we got there, they said that they forgot to send the cars. They asked us to fill out registration cards once we got there, for those of us that hadn't. We filled those out.

The next day when we came back, we found out that they had lost our registration cards, and they asked us to fill them out again.

We were then ushered into the office of Joe Wilson, the DCM, and he told us, due to the Executive Order that had been issued by the President that day, business was effectively cut off between Americans and Iraqis, and that for all practical purposes we should leave.

But he didn't know how bad the situation was, and he didn't know how we could leave. On the other hand, he said that the single highest priority at this point was the safety of American citizens.

He said that the procedures that are passed on to the Embassies in these situations is to drop everything else and ensure the safety of the Americans who are currently there.

That was nice in rhetoric, but in practicalities, you will see it didn't really happen.

The businessmen I was with in those meetings—and there were anywhere from 25 to 50 in these various 6:00 p.m. every night meetings that I went to for the next week—were upset because the Embassy had so little information and they couldn't describe any evacuation procedures to us.

Again, members of the panel had said what are the evacuation procedures. Well, if they know what they are, they couldn't describe any to us.

So we took it upon ourselves to form a telephone tree to try to get the word out to other Americans there.

Then, that day, we heard about the missing American oil field workers that were in Northern Kuwait and the fighting that was still going on in Kuwait City, so the situation became much more serious, as far as we were concerned.

At this point, our biggest single fear was not that we were being abused or hurt by the Iraqis, but that there would be an attack on

Baghdad by somebody in retaliation for what had happened, and if that would have happened, we felt we would have died probably, because we had no protection.

The next two days I spent going to these meetings and trying to find out about airlines, etc. At the second meeting I went back to—again, as I mentioned, at the Embassy they had said they had lost our cards, our registration cards. They said to fill them out again.

Again they were very, we were very dissatisfied with the lack of information and we pointed out this was a crisis situation and whatever the procedures in normal situations, don't you have some procedures for this, and if procedures are interfering with the good of the Americans that were there, can you change these procedures?

In most cases, they could not.

We had heard rumors now that foreigners were departing via the Jordanian and Turkish borders, and yet these were only rumors.

Now, the closest border was the Jordanian border which was about eight hours by car, so it wasn't a matter of just hopping down to the corner grocery store to see how things were.

Since we didn't want to expose ourselves then we had to, we said can you send a diplomatic car to the borders to see if they're open, we hear these rumors.

They told us due to procedures, they could not. We said if you can't do the procedures, can't you call Amman or Turkey and have them send the cars to the border?

They said they would look into it, but as far as I know, that still hasn't been done.

They kept telling us just simply to stay put.

We asked the Embassy to provide us, as I mentioned, the Americans by hotel for a telephone tree. They said this could not be done. The American Embassy had no real procedure of getting through to all the Americans in Baghdad in a fast way, so we ourselves wanted to set up this telephone tree.

They said due to the Privacy Act, they couldn't give us the names of the Americans in the hotels because of the privacy aspects of that.

In fact, I have looked into the Privacy Act since then and found that the Privacy Act says when the public interest outweighs the private concerns, that procedure can be dropped. They didn't know that at the Embassy. I had to look into it after.

All of a sudden the missing oil workers were found from Northern Kuwait, and they told us at the Sheridan Hotel that they were going to start moving in foreigners and the security increased, so again, it became more and more serious.

I decided to move into the Al-Rashid Hotel at that point, which is where the Americans were brought from Northern Kuwait and from the airport in Kuwait, and these Americans were under security. I got to know them while I was there just by mentioning my name to them and letting them know I was an American.

I said that I would try to do what I could do to help them. There were about four of us Americans in the Al-Rashid Hotel that were not under these strict security situations.

Now, at the next meeting we asked Joe Wilson again whether there was any indication that Iraq would invade Kuwait. He said

that the American Ambassador, April Glaspie, had met with Saddam Hussein on the 25th of July and Saddam Hussein had told her he would not invade Kuwait.

We pressed him on this issue because again, this is a life and death situation. He said, well, in fact, what Saddam Hussein said was he would not invade Kuwait unless mediations broke down.

On the 1st of August, mediations had broken down between the Kuwaitis and the Iraqis in Jeddah, and we said to him did that not constitute a breakdown of mediations? He said he would look into it.

Again, information that was critical that we weren't getting.

On the morning of August 6th, I noticed a number of Westerners sitting by the poolside, decided those must be the Americans that were moved into the Rashid, so I sat down with them and visited.

I found out the situation such as the fact that they had no money and that the Embassy made them fill out a form saying they were destitute which was embarrassing to them because they didn't feel they were destitute, they just had their money taken away from them.

They actually had to say they were destitute, and then the American Embassy said even if you fill the forms out, we can't give you any money because our funds had been frozen.

So again, procedures that just had no sense to the situation.

That evening, Mr. Wilson indicated that he had had a two hour meeting with Saddam Hussein and that tensions were lessening. He said that the United States' position on this was that we would try to talk it out with Saddam Hussein and see what the problems were, etc.

At this point, he told us that he had told Saddam Hussein that he had seen evidence of troop withdrawal. He had told that to us the previous day, but that information hadn't been passed on apparently to the United States, and he said he would pass it on in some way.

But the meeting with Saddam Hussein was extremely difficult because, according to Joe Wilson, the Washington Post had broken a story the next day, when we met with him the next day, that had said that Saddam Hussein had told him that if Saudi Arabia cut off the Iraqi pipeline through its land, that they would invade Saudi Arabia, and Saddam Hussein, he said to us, had not said that.

Once that story was broken, he said all of his credibility was lost with the Iraqis, and he said, you guys really are on your own now, because all of my credibility and the credibility of the Embassy is lost.

Another American at that point said how are we going to get out, how are we going to do it? I said, let's just do it. We'll just do it.

So the next day we left, took a taxi, a taxi driver who could speak both Arabic and Turkish because we didn't know which border we were going to go to, it was about 8 or 10 hours to get to the border.

Before we left, we informed the American Embassy that we were leaving, asked them if they could please inform the American Embassy in Amman and in Turkey that Americans were coming across, because other Americans were trying it.

We got to the border, there was no American car. We had to walk and hitch-hike across No Man's Land about two to three hours, 80 kilometers.

When we got to the American Embassy in Amman, about 14 hours later, and I called, nobody answered the call until the next day, but I asked them why they hadn't sent a car, and they said they were not allowed to talk directly to the Embassy in Baghdad and vice versa.

Procedures said they had to talk through Washington and therefore the message had not gotten through.

I finally returned home to Champagne, Illinois on Friday, the 10th of August. My wife had been trying to work on my release for all that time, and that weekend I decided to make calls to families of people that were still there.

When I did, I found out there was a lot of dissatisfaction with the State Department's task force, for the lack of information, etc., etc.

My wife was consistently upset that when she would call the task force, I was lost in the computer.

The most telling example of the frustration was on August 8th, after I called my wife from Amman, she received a call to update her on my status, and that call said that I was still in the Sheraton Hotel in Baghdad which was something that had changed five days before that.

In fact, my wife was particularly upset, because she had called the State Department task force after I got out and informed them that I had gotten out. She gets a call after that saying I am at the Sheraton Hotel in Baghdad.

So this lack of information was just incredible. On one hand, bureaucratic confusion is understandable. On the other hand, it seems reasonable to expect that the State Department, the department responsible for the diplomacy and safeguarding of human lives, would have developed procedures to handle crisis situations such as this—at the very least, to provide accurate and timely information.

The attempt to establish the 24-hour hotline is applaudable, but the implementation is less than laudable.

It became clear at this point that it was necessary to do more than just what the State Department was doing, and I felt this obligation so a group of people got together, formed an organization called Coming Home, which is a humanitarian organization that has now been formed to try to help the rest of the people get out.

The objectives, et cetera, of the organization are listed in my written testimony. We have been in touch with over 600 family members and people that have gotten out. We have gotten over 1,000 calls and letters from people.

Our main goal is just simply to help the rest of the people to get out, and our work is to network with the families and help them in any way we can.

We are a private organization and we are all volunteers and before we even formed, we called the State Department and informed them that we were doing this.

Now, our one advocacy position, and this is very important, because I want to say to members of Congress that this has not been paid any attention to at this point, and instead of just putting the

State Department on the line, I want to put Congress on the line here and ask them why they have not paid attention to the provisions of the Fourth Geneva Convention.

According to international law, a professor at the University of Illinois, a professor of international law, states the Fourth Geneva Convention of 1949, the so-called Civilians Convention, clearly applies to protect United States citizens currently being detained in Kuwait and Iraq.

A recent study on this subject dated August 21st, 1990 that was produced by the Congressional Research Service in the Library of Congress concluded, "It can be forcefully argued that the 1949 Geneva Convention relative to the protection of civilian persons in the time of war is applicable to the current situation based on two factors."

The application of that Fourth Geneva Convention to U.S. citizens detained in Kuwait and Iraq would be purely a humanitarian gesture, without political implications, that can be easily undertaken for the relief and protection from danger.

Yet so far the United States Government, neither the State Department nor the Congress, as far as I can see, has not invoked the provisions of the Fourth Geneva Convention to protect U.S. citizens in Kuwait and Iraq.

In the professional opinion of this professor of international law, the failure of the United States Government is short-sighted, to say the least.

One letter we got from a woman who wanted to help us just simply said I don't have any family members in Kuwait or Iraq, but I feel that all Americans are my family so I want to help.

That, I think, is a feeling that a lot of Americans have, but we need that help from Congress and from the Government for a start.

We are liaisoning with many existing organizations, and I want to point out the State Department started their testimony by saying we have had eight crises since the Pan Am 103 victim crisis.

I met with the Pan Am 103 group this morning. They are lobbying Congress right now. They have been in touch with us since the beginning of this. We have one common goal in mind between them and us, and that is to activate the United States Government, not only to help in the future American citizens that are abroad, but help this situation right now. They are very disappointed that all the work they have put in has led to no positive, meaningful response at this point.

We are also liaisoning with the Red Cross, No Greater Love, an organization that assists victims, the victims of Pan Am 103, as I said, Peggy Say and the journalists committee for Terry Anderson, the National Council for Victim Assistance, and USAGIVE, the group of psychologists and counselors that are helping people in this situation.

Now, at Coming Home we have identified four major difficulties amongst the families of Americans detained in Iraq and Kuwait. Not only do we have the difficulties there, but amongst the families.

One is emotional—dealing with the trauma of what's going on, etc., and again, the Government doesn't deal with that emotional need.

Two, financial. Some detainees have been taken off of company's payrolls as a result of being taken by the Iraqis in Kuwait, and there are, apparently, loopholes in our laws which allow this to happen, or a corporate attorney would not tell the company that they can do this.

If there is a loophole, Congress needs to plug that loophole, or at least to look at it so it doesn't happen in the future.

Additionally, they have tremendous other expenses. Some people lost everything in Kuwait—their home, their business, their financial accounts.

A third concern is legal, uncertainty as to their rights and the rights of detainees. That's why we have been getting the word out as to the Fourth Geneva Convention.

Sometimes family assets are controlled by that person who has been taken hostage or who is being held over there. Also people have asked about the possibility of a class action suit to recover their assets.

And then fourthly, governmental. The frustration with the Kuwait task force and the State Department generally, feeling that Congressional representatives have been unresponsive and do not view the safeguarding of detainees as a priority matter, an uncertainty of what future American action will be.

I have put an article in the proceedings that was in the Washington Post that discusses this in some more detail.¹

In my personal experiences, I have found that on an individual level, several officials at our Embassy in Iraq were sincerely doing their best. We were plagued, however, by bureaucracy, regulations and procedures unsuited to a crisis situation.

While small things such as the loss of our registration cards at the Embassy were disconcerting, it was the overall inability of the Embassy to act on its feet in this crisis situation.

I have listed problems in Baghdad such as not sharing information, not sending the cars to the borders, if the borders were open, no transportation.

They didn't allow us to place calls, even though they could place calls. They had no funds. They could not communicate with our embassies in Jordan and vice versa. The messages of the DCM, Joe Wilson, that he was trying to pass about troop withdrawal and about what had actually been said, if they were getting through to Washington, they were being paid no attention to.

In Amman, there was no standard debriefing process. The embassies couldn't communicate with each other. They couldn't assist us in our departure from Jordan.

As far as the task force, lack of information, unable to pass information laterally. When we hear from one person that's gotten out that somebody else is in such-and-such a place, we pass that on to the family. They don't do that at the task force because of the Privacy Act.

They were unable to offer referral services in a broad-based sense, and I am glad I hear that they are now going to appoint single people to be case workers, because every time the families

¹ See page 20 of Mr. Saba's statement.

would call, they would get somebody different and they would have to start over again, and incorrect information is being relayed.

Overall, three major concerns: procedures, the inability to communicate, and the inability of the Embassy to act on its feet.

Now, up to this point, many people have talked about this as being a humanitarian concern. We should save the rest of these people because they are caught in the middle.

I would like to submit that from a business standpoint, our business is going to be tremendously hurt if the United States Government does not support us in the future better, not only from a standpoint of, as I say, the humanitarian side.

I am a businessman. I am trying to position mid-market companies in a lucrative market. There are over 50,000 Americans in that part of the world. It is very lucrative.

When our Government says that it is first priority to get those hostages out, and then we see no action plan to get those hostages out, no American in the future is going to go over there and try to do business. He is going to say no one sticks with us.

Our Government does not support our situation business-wise as well as humanitarian-wise, so why should we go over there? And I think that is extremely critical and hasn't even been mentioned.

We are suffering a terrible balance of payments, and we always say go over there and bring those dollars back. Well, if nobody is going to help us, protect us when we go over there to bring those dollars back, nobody is going to go in the future and it is going to be worse for us economically.

The current crisis in the Gulf is a test of the new world order. I have thus far been heartened by President Bush's emphasis on pursuing a diplomatic solution while, at the same time, making it clear that we will stand by and defend our friends and allies such as Saudi Arabia.

I am greatly disturbed by those who feel that we should go further militarily, launching an offensive action.

If the crisis, if this crisis can be peacefully resolved, we will have truly made a step towards a peaceful world. Thousands of lives will be saved—Arab, Americans, civilian and the military.

We will have shown the world that the United States of America is truly a world leader, willing to act maturely as an international negotiator. A precedent for conflict resolution will have been set, and it is a positive sign that we can do things like this.

My son is going to be 18 soon. I don't want to see him over there fighting a war that can be prevented utilizing diplomatic initiatives.

I hope that Congress will push those diplomatic initiatives and the Geneva Convention so that we can have a peaceful settlement to this situation and all those hostages back home safely.

Thank you.

[The prepared statement by Mr. Saba follows:]

PREPARED STATEMENT OF MICHAEL P. SABA

Members of Congress, Ladies and Gentlemen, Good Morning. I am Michael P. Saba, president of the Saba-Hansen Group, Inc., a small international business services company which largely operates under the name "GULFAMERICA." GULFAMERICA concentrates on enhancing and facilitating the trade and commercial relationship between the U.S. and the six nations of the Gulf Cooperation Council, namely Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates. We act as a networking service for both American and Arab clients, facilitating the export of U.S. products to the Arab Gulf. Our target market, the market which we are best able to serve, is the mid-market, mid-sized firms which are seeking to initiate or expand upon international operations, including direct export, joint ventures, investment opportunities, distributorships and the like. A major part of our business is the organization of the biennial GULFAMERICA conference which involves businessmen, governmental officials, trade analysts and policy makers from the U.S. and the Arab Gulf. The last GULFAMERICA conference was held in Houston in 1988 and the next conference was scheduled to be held in October of this year in Bahrain.

On July 14, I left the United States to travel to the Gulf to make final arrangements for the October GULFAMERICA conference. I traveled first to Saudi Arabia and then to Bahrain and then, on July 31, to Iraq. Although not a member of the G.C.C., Iraq had been invited to participate in GULFAMERICA as a member of the Federation of Arab Gulf Chambers of Commerce. My first scheduled meeting in Iraq was to be with April Glaspie, our Ambassador in Baghdad. I was subsequently scheduled to meet with the DCM, Joseph Wilson, when Ms. Glaspie returned to the

United States.

While still in Saudi Arabia, I heard reports of the Iraqi troop build-up on the Iraq-Kuwait border. Those reports were generally disregarded by both the Saudis and Americans with whom I met. I make a point to visit both high level Saudi businessmen and officials and Americans who have lived in Saudi Arabia for many years on each of my 4-5 yearly trips to the region. Even the most pessimistic of my acquaintances predicted a worst case scenario of an Iraqi occupation of Kuwait's Bubiyan Island. Most felt that the Iraqis were only positioning themselves to force an oil price rise at the July OPEC meeting.

I spent the last few days of July in Bahrain finalizing arrangements for the GULFAMERICA conference. The Iraqi troop build-up was continuing and when I spoke to my wife by telephone she reminded me that I had canceled my last scheduled trip to Iraq in March of 1990 because of the execution of a British citizen of Iranian extraction for spying. The execution took place on the same day that I was to arrive in Baghdad and it seemed prudent at the time to postpone the trip. Therefore I decided to check with both our embassy in Bahrain and our embassy in Baghdad before I proceeded to get their advice. I was told that the American ambassador to Baghdad had now gone on leave and my meeting with her was rescheduled to a meeting with the deputy chief of mission. Both embassies told me the day before I left for Baghdad that there was absolutely no reason for Americans not to come to Iraq and I should proceed to Baghdad. That was two days before the Iraqi invasion of Kuwait! I arrived in Baghdad early the morning of July 31, just in time for my meeting with DCM Joe Wilson.

Mr. Wilson greeted me warmly and spoke enthusiastically of the business potential between the U.S. and Iraq. He was very supportive of the GULFAMERICA conference and agreed to help promote it. He recommended that we bring a delegation of American businessmen and women to Iraq at the conclusion of the conference in Bahrain and said that the embassy would help to facilitate the trip and arrange meetings.

The next two days in Baghdad were very productive. I met with numerous prominent Iraqi businessmen and government officials and received the endorsement of the GULFAMERICA conference by both the Iraq Chamber of Commerce and the Iraq Chamber of Industry, the two most powerful business organizations in Iraq. All of my meetings indicated that Iraq was keen to do business with the United States.

I also had meetings with the relatively small American business community in Baghdad. My first encounter was with American businessman Bob Vinton of Johnson Controls who had been in Iraq about one year and had spent many years in the region. Mr. Vinton is now among the Americans missing in Iraq. Bob met me in the lobby of the Baghdad Sheraton Hotel and said "Mike, you've just arrived in "Indiana Jones country." How true this statement came to be!

All of the American businessmen and women that I met in Iraq were extremely enthusiastic about the existing business relationships between the U.S. and Iraq and the potential for even greater economic relationships to develop in the future. Over 50 Iraqi and American businessmen and women signed up for the October GULFAMERICA conference in Bahrain during these two days. I also had several subsequent meetings with Joe Wilson and other embassy officials and was very encouraged by the response

and reception I received. Although I first visited Baghdad in 1968 and had made business trips in the early to mid 1970's, my last trip had been in 1978. During this period, the U.S. and Iraq did not have official diplomatic relations.

I repeatedly questioned officials at our embassy about the Iraqi troop build-up at the Kuwaiti border and was continuously assured that there was no problem and I had no reason to be alarmed. On the other hand, I was listening to the Voice of America and the BBC on my small transistor radio (which would prove to be extremely valuable during my "extended stay" in Iraq). Not only were they reporting that the estimates of the Iraqi troop build-up had grown from 30,000 to 70,000 to 100,000 troops, but there were also numerous reports on the hastily arranged meeting between Iraq and Kuwait in Jeddah organized by King Fahd of Saudi Arabia. I had a strange feeling of doom when I heard that the meeting had broken down on August 1 and the Kuwaitis and Iraqis had both gone home with no resolution of their differences. I would later discover that my sense of pending doom was not only well founded but could have been predicted.

The differences were being reported on both the American and British media as well as the Iraqi press. The Western media were saying that the Iraqis claimed that the Kuwaitis owed them billions of dollars for "stealing" Iraqi oil. Additionally, the Iraqis stated that any war debts claimed by Kuwait should be canceled because the Iraqis felt they were protecting not only themselves but the whole Arab world from Iran. However, the Western media discounted these differences and the positioning of Iraqi troops as a strategy designed to raise the price of oil and frighten Kuwait into ceasing

its alleged selling of oil at prices as low as \$12 a barrel. The Iraqis wanted the price to be at least \$21 a barrel and demanded no "cheating" by any OPEC member, especially Kuwait and the United Arab Emirates.

There were significant differences between the Iraqi reports and those of the Western media, however. The Iraqi press was dealing with the issue of cheating on oil prices as a national security issue. According to Iraqi reports, this "cheating" resulted in a loss of one quarter of Iraq's national income, weakening not only the economy but also Iraq's ability to defend national interests. The Iraqi press also treated the breakdown of mediation between Iraq and Kuwait very seriously. It was predicted that the breakdown would lead to dire consequences.

One of the Iraqi officials who I met with was Mr. Nizar Hamdoun, Iraq's Deputy Minister of Foreign Affairs. I had previously met Mr. Hamdoun in Washington, D.C., where I lived for many years. Mr. Hamdoun was the Iraqi charge to the U.S. and in 1984, when the U.S. and Iraq resumed diplomatic relations after a 17 year lull, he was named Ambassador to the U.S.

Mr. Hamdoun was highly enthusiastic about the GULFAMERICA conference and said he would encourage the participation of Iraqi businesspeople and officials. He did, however, mention Iraq's difficulties with Kuwait and verified the press reports that Iraq was treating these differences as a national security issue. As we met in his office, the television was tuned into a live discussion on CNN of the troop build-up on the Kuwaiti border.

On August 1, I had a meeting at the Sheraton Hotel with a group of American

businessmen. We discussed the upcoming introduction of legislation in the U.S. Congress regarding sanctions of some business relations with Iraq. The American business community was opposed to such sanctions and was contacting home offices in the U.S. to express this opposition. That evening I called my office in the U.S. and received a call back from home. Both calls included messages of concern from my associates and my wife about the Iraq-Kuwait situation. I explained that I had discussed the situation with our embassy officials and others "in the know" and that, though it was tense, there seemed to be no real danger. My wife felt that I should leave immediately. As I was scheduled to leave mid-day the next day (August 2), I decided to stay on schedule and said I would be back home on August 3.

On Thursday, August 2nd, 1990, the day of my scheduled departure, I was informed by a taxi driver on my way to a meeting that the airport had been closed due to "some incident" between Iraq and Kuwait. I immediately returned to the Sheraton Hotel, where I had been staying. The hotel manager informed me that, due to the situation in Kuwait, which he described as a "minor problem" that Iraqi troops were trying to settle, the airport and all land borders were closed. He said that American, British, German and French visitors were being moved from other hotels to the Sheraton and that all other nationalities were being moved out.

I immediately consulted with other Americans that I had met at the hotel and we decided to call the embassy to see if they had any other information. We were told that they were evaluating the situation and we should contact them later. I went to my room, tuned in to the BBC on my radio, and discovered that there had been a massive

invasion of Kuwait by Iraq early that morning and that the United States was already sending warships into the Gulf in response. Several other American businessmen and I again contacted our embassy and we insisted that we be given a briefing on the situation that afternoon. The embassy told us that we were to come for a meeting at 6:00 p.m. that evening. This 6:00 p.m. meeting became a regular daily event for the Americans during the time I was in Iraq and apparently continued after I left.

The embassy said that they would send cars for us, but as none arrived we all took taxis. When we arrived at the embassy on that first day of my extended stay, there was a lot of confusion regarding procedures. A group of about 25-30 Americans came to the first meeting and we were asked to fill out registration cards if we were not already registered with the embassy. Most of us were not, so we filled out the cards and gave them to an embassy staff person.

We were ushered into the office of the Ambassador (who had gone on leave on July 30) and were greeted by Joseph Wilson, the Deputy Chief of Mission. He gave us copies of the Executive Order which blocked transactions with Iraq and told us that we were all effectively out of business with Iraq as of August 2, 1990. He then told us that the single priority of the U.S. Embassy in an emergency situation such as we were experiencing is to insure the safety of American citizens and that the embassy would be literally dropping all of its other activities to assist us. He then had other embassy personnel brief us on embassy procedures and support activities. Many of the businessmen that were at this meeting were shocked to see that this executive order had been issued so quickly. Collectively, this group had hundreds of millions of dollars

involved in business transactions with Iraq.

We asked the embassy staff when we would be able to leave and were told that they did not know. Many of the businessmen were upset that the embassy had so little information and requested that the embassy describe evacuation procedures. No one at the embassy was able to do this, but they said that they would keep us informed. The businessmen took it upon themselves to form groups to activate a telephone tree network so that we could pass information on to each other.

I returned to the Sheraton Hotel and found it a very gloomy place. I spoke with many non-Americans at the hotel that were in the same situation as we were and none of them seemed to have any more information than we did. I listened to the BBC and Voice of America again that evening and heard that a number of American oil field workers who were working in the northern Kuwait oil fields were missing and that there was fighting in Kuwait City.

At this point, the greatest single fear that many of us felt was the possibility that Baghdad would be attacked in retaliation for the invasion of Kuwait. We felt that we might either lose our lives in the attack or in the immediate aftermath.

I spent the next two days at the Sheraton Hotel and dutifully went to the 6:00 p.m. meeting with U.S. embassy personnel. At the second meeting, we were told that they had lost the registration cards that we had completed at the first meeting and requested that we all fill out another card. By the end of the next day, most of the American community became very dissatisfied with the lack of information being provided by the embassy but decided to continue attending the meetings in order to

share information with each other. I believe that the embassy personnel, as individuals, were working very hard. But they seemed to have no procedures for dealing with such a crisis situation. Moreover, many of the businessmen seemed to have better contacts within the Iraqi business and government infrastructure than did the embassy.

We began to hear rumors that other foreigners in Iraq were departing via the Jordanian and Turkish land borders. Thus we continually asked about the situation at the borders and were frustrated by the embassy's lack of information. They could neither confirm nor deny these reports (I later learned that the State Department in the U.S. was telling my wife the same thing). We suggested that a diplomatic car be driven to the borders to ascertain first hand whether overland departure was possible. This seemed simple enough, given the advantages of diplomatic privilege. However, we were told that procedures prevented this. We were also advised to "stay put."

It became obvious that we needed to organize ourselves for the sharing of information and planning of departure. We asked that the embassy provide us with its list of Americans "by hotel" for this purpose. We were frustrated and even angry that this could not be done - again because of normal procedures regarding the Freedom of Information and Privacy Acts. This list would have been very helpful and as this was not a normal situation it seemed that allowances needed to be made.

Tensions began to build after this second day. We learned that the missing oil field workers were "found" and being brought from Kuwait to Baghdad. We also learned from hotel personnel the large numbers of "foreigners who were in Kuwait at the time of the invasion" were going to be brought to the Sheraton and that we might

have to share rooms. At this time, about 70 people were staying at the 200 room Sheraton. The hotel also began to overflow with plain clothes Iraqi security personnel. This movement of people made me begin to feel that this was a much more serious "life and death" situation, not just an inconvenience.

I decided to move into the Al-Rashid Hotel, Baghdad's largest and most secure hotel. The Al-Rashid has bullet-proof windows and doors and a bomb shelter.

Although we had had free movement in Baghdad and indeed in Iraq, when I went to check out of the Sheraton I was told that I would need permission from Iraqi security. An hour later, permission was granted. We were all relieved to know that we did in fact seem to still have basically free movement.

I moved into the Al-Rashid Hotel on Sunday, August 5th, and met with two other Americans who were staying there. They had been asked to move from their floor, the 14th, to a lower floor and understood that the 12th, 13th and 14th floors were being cleared to accommodate Americans being brought by Iraqi security personnel to Baghdad from Kuwait. The Americans who were in Iraq when the invasion took place were not under the special Iraqi security regulations that Americans brought from Kuwait were to experience. We were still free to move about Baghdad and the rest of Iraq and were not threatened in any way by the Iraqis.

At the embassy meeting that evening, Mr. Wilson told us that there were encouraging signs coming from the Iraqis. On Saturday, August 4th, they had announced that they would begin a partial withdrawal from Kuwait. On Sunday, August 5th, Mr. Wilson told us that he had verified this withdrawal to the U.S. State

Department in Washington through information that he had received and he hoped that this would lessen the tension in both Baghdad and Washington.

At this meeting, we asked him whether he had had any indication that Iraq would invade Kuwait. He said that the U.S. ambassador, April Glaspie, had met with Iraq's President Saddam Hussein on July 25th and asked him that question. Wilson told us that Saddam Hussein had said he would not invade Kuwait. We pressed Wilson on this issue and asked if that was all Mr. Hussein had said. Wilson replied that Saddam Hussein had stated that he would not invade Kuwait unless mediations broke down. At this juncture, we pointed out that the meeting between Iraq and Kuwait that had taken place in Jeddah, Saudi Arabia on August 1st to discuss their differences had ended abruptly and that both the Iraqis and Kuwaitis had gone home in a hurry although the meeting was supposed to have continued on the next day. We asked if this hadn't constituted a breakdown in mediations. We could get no definitive answer on this point.

At the Al-Rashid Hotel the next morning, August 6, I noticed a group of about 10-15 men who appeared to be Westerners, sitting at the pool surrounded by Iraqis. I walked up to them and introduced myself which greatly surprised them. They were the American oil field workers who had been missing in Kuwait and were brought to Baghdad under guard. They were still being guarded but no one stopped me when I greeted them.

They introduced themselves and we visited for about 15 minutes. They said that they were constantly being guarded and were only allowed to eat and have pool activities as a group. I was apparently the first private American citizen that had spoken

with them. I told them that I was going to try to leave and I would try to help them if I could. They thanked me and then were taken away by the security guards.

That evening at the U.S. embassy we were told by Mr. Wilson that he had had a two hour meeting that day with Saddam-Hussein. He said that it was frank and again indicated that tensions were lessening. He said, however, that he still had no information on when we could leave or the situation at the border. That day, I had heard a Voice of America broadcast which indicated that the United States was sending troops to Saudi Arabia and that the U.S. had seen no indication of any Iraqi troop withdrawal from Kuwait. We questioned Mr. Wilson as he had told us the previous day that he had informed the State Department that there was some evidence of troop withdrawal. He said that he would pass this information on again. Also that evening, I heard President Bush stating that to discover what the U.S. would do next we should "Wait, watch and learn."

The next morning, August 7, I was called by the American embassy and told that all Americans should leave immediately. They said that this was a directive of the State Department but that the embassy still had no information as to how we could leave and indicated that both the air and land borders were still closed. We were told that we would have more details at the 6:00 p.m. embassy meeting.

Another group of Americans had been brought into the Al-Rashid on August 6 and August 7. This group was composed of Americans who were transit passengers at the Kuwait airport on August 2nd and other Americans and numbered from 20 to 25. I had a chance to say hello to them, but they were always surrounded by guards and

I didn't have a chance to introduce myself to them. Many of them were aware, however, that I was an American and would greet me warmly as we passed in the lobby.

At the embassy meeting on August 7, Mr. Wilson told us that the Washington Post had broken a story allegedly based on his meeting with Saddam Hussein. The story stated that Mr. Hussein had told Mr. Wilson that Iraq would attack Saudi Arabia if Saudi Arabia closed the Iraqi oil pipeline which transversed Saudi Arabia to the Red Sea. Mr. Wilson said that this story was a fabrication and Mr. Hussein had never made a statement to that effect. Wilson said, however, that the Iraqis were so upset by this story that he had lost all credibility with them so we were really on our own at this point. He also stated again that he knew of no borders being open and that even if the embassy could logistically obtain vans and buses to take us to the border, there were no embassy funds for this activity.

Another American and I decided that we were going to attempt a departure the next day. We informed the embassy in Baghdad and asked them if they could contact the U.S. embassies in Jordan and Turkey so that they could have vehicles waiting for us at the borders. We also knew of an additional 6 to 8 Americans who were going to leave the next day over land to either Jordan or Turkey. The embassy said that they would see what they could do.

The next day, August 8, we waited to see if any planes were leaving or if there was any more information on border openings. There was no positive information on either so we called the U.S. embassy in Baghdad informing them that we were leaving

for Jordan at noon that day.

We hired an Iraqi taxi with a driver who could speak both Arabic and Turkish. We felt that we could divert to Turkey if the Jordanian border was closed and this driver knew the appropriate roads and languages. It took us about 8 hours to get to the Iraqi border with Jordan. We were stopped by Iraqi troops once and released. We had no trouble getting across the border but there was no American embassy vehicle waiting on the other side. It took us about 2 - 3 hours to go across the 80 kilometer neutral zone between Iraq and Jordan and we had to "hitch a ride" to make it.

Once we reached the Jordanian border, we again hitched a ride (with two Danish journalists) to Amman and arrived in Amman just after midnight on Wednesday, August 8th. The next morning, we contacted the American embassy in Amman and asked them why there were no vehicles waiting for us on the border. The embassy said that it was not authorized to talk directly to our embassy in Baghdad but that both embassies had to pass all their messages to each other through Washington and they had not heard that we were coming. We asked the embassy in Jordan to please inform Baghdad that we had gotten through and to pass this information on to other Americans in Baghdad so that they could leave immediately.

I finally returned to my home in Champaign, Illinois, on Friday, August 10. My wife, Irene, had been working on trying to obtain my release from Iraq throughout the previous week and had been in touch with several family members of others similarly stranded in Iraq. Upon my return, I began to call family members of other Americans who I had met in Iraq, including the Americans brought from Kuwait to the Al-Rashid

in Baghdad. That weekend, I made over 50 calls and was overwhelmed by the response I received. Although most of these families had been in contact with the Kuwait Task Force set up by the State Department to deal with the crisis, they were especially appreciative of talking to someone who had actually seen and spoken with their loved ones.

Most of the family members I spoke with, including my own wife, expressed dissatisfaction with the State Department's Task Force for several reasons. Primary on the list is, again, the lack of information. As we found while in Iraq, there seemed to be very little information on the status of the Iraqi borders with Jordan, Turkey and Saudi Arabia. Was it possible to depart Iraq by land? This seemed a simple enough question. If the embassy in Iraq was, somewhat understandably, unable to ascertain this, why couldn't embassy personnel in Jordan and Turkey go to the borders and observe whether it was possible to cross. My wife was particularly upset by the fact that I kept getting "lost" in the computer. While she was getting information from business contacts in Bahrain and Turkey, the Task Force seemed to provide less information than CNN. Moreover, while we were finally advised to get out any way we could, after having first been told to stay put, State Department statements were advising no action - no attempts to cross the land borders. The most telling example of frustration with the Task Force is the fact that on August 8, after I called my wife from Amman to tell her that I was out of Iraq, she received a call to update her on my status - I was, according to the call, fine and at the Sheraton Hotel in Baghdad. This was particularly upsetting since she had already called the Task Force to inform them that I had left Iraq and had called from Jordan.

On one hand, bureaucratic confusion is understandable. On the other, it seems reasonable to expect that the State Department, the department responsible for diplomacy and the safeguarding of human lives, would have developed procedures to handle crisis situations. At the very least, to provide accurate and timely information. The attempt - the establishment of a 24-hour hotline easily accessible to family members - is applaudable. The implementation was less laudable.

By the end of my first weekend home, it became clear that we needed to continue to be in touch with other family members. I felt an obligation to assist those still in Iraq and Kuwait and to provide the families with what support I could. Likewise, my wife, who had tremendous empathy for the families, felt we need to provide a compliment to the Task Force, we needed to just be responsive to the emotional strain placed on these families. Thus Coming Home was conceived.

Coming Home is a humanitarian organization which has applied for not-for-profit, 501(c)(3) status. It is a cooperative effort of "returnees" from Iraq and Kuwait and family members of those still there. Board members include a returnee, an international law professor, a practicing attorney, a psychiatrist, an accountant, a director of University International Programs, and a community volunteer activist.

The Statement of purpose of Coming Home is:

Coming Home, Ltd., is a corporation established to (1) provide an information and communication network for American families who have members stranded in Iraq and Kuwait; (2) educate all parties involved of the provisions of the Fourth Geneva Convention of 1949 regarding the

status and treatment of detained nationals of a party of conflict; (3) serve as a liaison with other humanitarian and educational organizations concerned with the detained nationals.

Coming Home was formed in response to a crisis situation to be a non-political, humanitarian organization. We seek to offer comfort to family members, to share information, to develop a list of referral services for their use, and to inform them as to the provisions of the Fourth Geneva Convention. According to an international law professor at the University of Illinois: "The Fourth Geneva Convention of 1949 (the so-called "Civilians' Convention") clearly applies to protect United States citizens currently being detained in Kuwait and Iraq. A recent study on this subject dated August 21, 1990, that was produced by the Congressional Research Service of the Library of Congress concluded: "It can be forcefully argued that the 1949 Geneva Convention Relative to the Protection of Civilian Persons in Time of War is applicable to the current situation based on two factors." The application of the Fourth Geneva Convention to U.S. citizens detained in Kuwait and Iraq would be a purely humanitarian gesture without political implications that can easily be undertaken for their relief and protection from danger. Yet, so far, the United States government has not invoked the provisions of the Fourth Geneva Convention to protect U.S. citizens in Kuwait and Iraq. In my professional opinion, this failure by the United States government is short-sighted, to say the least."

Since the inception of Coming Home in mid-August, we have been in communication with hundreds of family members of detainees and individuals who

have returned safely from Kuwait and Iraq. Additionally, we have received over 1,000 letters and phone calls from other concerned Americans. One letter from a woman in Maine read, "I don't have any family members in Kuwait or Iraq, but I feel as if all Americans are my family so I want to help." We have acted as a communications network and a sounding board for these Americans, and we have discovered many common concerns and problems. We are liaising with many existing organizations which were formed to deal with previous crisis situations, including the Red Cross; No Greater Love, an organization formed in the 1960's to assist families of POW's in Vietnam and which now works with other hostage families; the Victims of the Pan Am 103 Group; Peggy Say and the Journalists' Committee for Terry Anderson; the National Council for Victim Assistance.

At Coming Home, we have identified four major difficulties among the families of Americans detained in Iraq and Kuwait.

1) **Emotional:** The difficulty of dealing with the trauma of loved ones being detained, particularly among the children. The stress and trauma caused by the lack of information and conflicting information. The fear that the lives of the detainees are not a priority in the overall picture.

2) **Financial:** Some detainees have been taken off company pay rolls. Meanwhile, dealing with this crisis has resulted in additional expenses, including telephone bills, psychological assistance and others.

3) **Legal:** Uncertainty as to their rights and the rights of the detainees. Access to family assets jointly controlled by the detainee. Possibility of a class action suit

against Iraq's assets in the U.S.

4) Governmental: Frustration with the Kuwait Task Force and the State Department generally. Feeling that Congressional representatives have been unresponsive and do not view the safeguarding of the detainees as a priority matter. Uncertainty of what future U.S. action will be.

For informational purposes, an article on Coming Home which appeared in the Washington Post follows.

JUDY MANN

Helping the Families of Hostages

Michael Saba, the Illinois businessman who escaped from Baghdad in a taxi on Aug. 9, has formed a private relief organization called Coming Home to help the relatives of Americans trapped in Iraq and Kuwait. A number of the relatives, he says, are headed for financial problems.

Operating out of his company's office in Champaign, Saba says he and a group of volunteers have been in touch with 300 to 350 relatives and have tried to pass on to them whatever information is available about their kinfolk. He says the local phone company has given them extra lines and lent them phones. Lawyers are volunteering to help families. "Right now we are finding people who need financial help. There's an organization in London similar to ours."

Saba and his wife, Irene, own Gulf-America, an international business services company that represents clients in the Gulf and the United States. "We have products we are introducing from the U.S. into the Gulf and we do the same with products from the Gulf into the U.S. We work with investors going both ways."

Every two years, his company sponsors a conference for business people and politicians from the Gulf states and the United States, and it was addressed in a keynote speech two years ago by former president Ford. That conference, Saba says, generated about \$200 million worth of business. The next conference is scheduled in October in Bahrain. "I have a great interest in seeing the dust settle," he says. He left when he did because his wife is about to give birth.

His knowledge of the Middle East and his contacts with relatives of hostages since his return have provided him with special insights into the circumstances of the families most directly imperiled by the Iraqi invasion at this point. He describes the relatives of the detainees as "spouses of people who don't have the highest incomes. Often they are people on short contracts - 30- and 60-day stints. Additionally, they are often women who have left most financial affairs in their husbands' hands and don't have the check-signing ability. You are not talking about a whole bunch of people who are spouses of people making \$200,000 a year and who have a big nest egg."

His group wants the United States to implement the 1949 Geneva civilian convention that entitles the nation to ask the International Red Cross to go into

Iraq and Kuwait to protect civilians caught in armed conflict. The convention prohibits the taking of hostages and provides for the Red Cross to register civilians caught in the middle, and to help in evacuating women, children, the disabled, sick and the elderly, Saba says. He also wants the United States to get a "protecting power" -- a third party that has diplomatic relations with Iraq -- to ensure that the detainees are protected, a role Algeria played during the 1979 hostage crisis in Iran. Initiating these steps, he says, "is a middle ground. It's apolitical, humanitarian. It's a place where we can talk. I don't see any real good communications taking place between our government and theirs. We have to look at other options than military. I hope that's not the one we use."

"All of us who were there knew that if the military option were used we were all dead. The Iraqis would take their vengeance out. The security people were treating everybody very well. It was, 'We hope we can get this done quickly.' But if a military operation takes place, those 3,000 people are dead right now. The Iraqis were polite to us, but if a lot of Iraqis got killed and they saw Western planes coming in, they would look for a scapegoat. It would be mass mayhem. There would be no controlling it."

"The jingoistic terms that are being used by the politicians comparing [Saddam] Hussein to Hitler, that he's crazy, that [President] Bush is the devil, this does no good for anybody. I personally feel Hussein is a guy in strong control in Iraq. He has tremendous influence. We better understand that and not deal with him as a guy who doesn't have all his marbles. He's very predictable."

Saba believes that Bush has taken the right steps, although he would like to see him expand his circle of advisers to include businessmen with decades of experience in the region who "would understand their culture a little better and who have regional experience in all the countries in the area."

"The people who got out were mostly the businessmen who have spent 15, 20, 25 years there and who have a combination of instinct, luck and good planning. Politicians jump off the handle. They haven't worked in a business context and made a company click in a business environment. Maybe if he talked to the guys who got out, for example. He's speaking softly and carrying the big stick. I just don't want him to use it. I want to be part of opening some options."

In my personal experience, I found that although on an individual level several officials at our embassy in Iraq were sincerely doing their best, we were plagued by bureaucracy, regulations and procedures unsuited to a crisis situation. While small things - such as the loss of our registration cards by the embassy - were disconcerting, it was the overall inability of the embassy to "act on its feet" that, in this crisis situation, was problematic. Some examples:

In Baghdad:

- 1) The embassy would not share its information on Americans stranded due to privacy regulations. This was a major obstacle to the sharing of information.
- 2) Embassy personnel could not be sent to the Iraq/Jordan and Iraq/Turkey borders to ascertain whether they were open or passable. Had this been done and the information passed on most Americans with temporary visas would have been able to depart on the 7th and 8th of August.
- 3) If borders were found to be open, no transportation was available via the embassy.
- 4) The embassy could not allow us to place calls on its open lines in order to communicate with our families when other lines of communication were closed.
- 5) Embassy had no funds to provide in emergency situations. Even the normal procedures for destitute Americans were not applicable.
- 6) The embassy could not communicate with our embassies in Jordan and Turkey to assist those of us who planned to depart on our own or to share information.
- 7) The messages from DCM Wilson to Washington regarding the situation in

Iraq did not seem to be getting through.

In Amman, Jordan:

- 1) There was no standard de-briefing process.
- 2) The embassy could not communicate with the embassy in Baghdad to let other Americans know we had arrived safely and that others should proceed.
- 3) The embassy could not assist in departure from Jordan (this became important as normal commercial airline flights were quickly fully booked).

Upon returning to the U.S., I encountered several difficulties with the Task Force established by State:

- 1) General lack of information on what was happening in Iraq.
- 2) The Task Force is unable to pass on information laterally, i.e. between families.
- 3) The Task Force is unable to offer referral services.
- 4) Family members are unable to communicate with a single person, but only with an "office."
- 5) Incorrect information is being relayed. For example, my wife was told I was at the Sheraton in Baghdad on August 8. This was after she called the Task Force to inform them that I had departed Iraq by land into Jordan. Moreover, I had moved from the Sheraton to the Al-Rashid days before. Other families have been called and told their loved ones had departed Iraq, only to be told later this was incorrect information.

Overall, I have three major concerns:

1) The lack of a plan or procedures to deal with such crisis situations and implement evacuation steps immediately.

2) The inability of one entity to communicate and share information with another. Had the embassy in Jordan or the Task Force in Washington immediately contacted the embassy in Baghdad to advise them that I and others had safely crossed the border - that departure was possible - many other Americans could have safely departed Iraq.

3) The inability of the embassy to "act on its feet" to deal with crisis and avoid being so limited by bureaucratic procedures.

As an American businessman who travels abroad often, I am personally very disturbed by my experience in Iraq and the inability of the State Department to maintain the security of Americans abroad. Although world events can be unpredictable, it seems reasonable to expect that, given the lessons of the past, there would be procedures and plans to safeguard Americans abroad, such as evacuation plans, emergency communication lines and the like.

Although some would say that Americans travel abroad at their own risk, I submit that we are living in an international age. Throughout Europe, walls are coming down and people are flowing across previously closed borders. The European Economic Community is growing stronger - 1992 is quickly approaching. The reunification of Germany will provide both opportunity and challenges and the increasingly good relations between the superpowers promises a new world order. If we as a nation are to continue to be a world economic and ideological leader, we must be an active world

partner. We must leave our own shores and interact on foreign ground. And in a sometimes unpredictable world, we must feel that we can depend upon our government to defend not only economic interests but that most primary of interests - our lives.

There are over 50,000 Americans living and working in the Arab Gulf. It is a lucrative market and, traditionally, has been stable and safe. The Gulf offers tremendous potential for U.S. exports and, given our current balance of payments, few would argue that the U.S. must compete in the world market. Exports not only help to balance the payments, they provide jobs to thousands of Americans in the U.S. Americans abroad, promoting American products and representing American business interests, are by extension securing our place in the international market. These Americans must be assured that their government places a priority on their lives.

At GULFAMERICA, our market is the mid-market, middle sized American firms seeking to enter the international arena. These companies represent the future of America's ability to grow and compete on a world economic scale. We must provide, inasmuch as possible, a secure path.

The current crisis in the Gulf is a test of a new world order. I have thus far been heartened by President Bush's emphasis on pursuing a diplomatic solution while, at the same time, making it clear that we will stand by and defend our friends and allies such as Saudi Arabia. I am greatly disturbed by those who feel we should go further militarily, launching an offensive action.

If this crisis can be peacefully resolved, we will have truly made a step towards a peaceful world. Thousands of lives will have been saved - Arab and American,

civilian and military. We will have shown the world that the United States of America is truly a world leader, willing to act maturely as an international negotiator. A precedent for conflict resolution will have been set. It is a positive sign, therefore, that we have recently stated that if Iraq withdraws from Kuwait we would not be opposed to an international tribunal to hear the grievances of both Iraq and Kuwait.

Next July, my eldest son will turn 18. Fortunately, he and his generation of Americans have not known the horrors of full-scale war. Those of us of previous generations witnessed as children the realities of war - the casualty lists, fathers taken as POW's, men returning home disabled. It is the young men and women of this generation who will pay the real price of an offensive action. There comes a time to defend one's home and ideals; there is never a time to take the offensive before every peaceful option is exhausted.

The State Department must be able to maintain the security and sanctity of Americans abroad. To this end, it must develop crisis procedures, including evacuation procedures and communications networks. It must act in concert with other entities pursuing the same goal of preserving lives and security, such as the Red Cross. Likewise, the U.S. government as a whole must place a priority on peace and the preservation of life. The cost of the alternative - both economic and human - is just too great.

Thank you for this opportunity.

Mr. DYMALLY. Since we have a bell now, why don't I just take about ten minutes recess to vote, and come right back. Then we will go on to Mr. Eladhari.

So the committee is in recess for approximately ten minutes.

[A brief recess was taken from 1:26 p.m. until 1:47 p.m.]

Mr. DYMALLY. The subcommittee will reconvene the hearing on U.S. citizens and the American embassies in Kuwait and Iraq.

Now we will hear from Mr. Eladhari.

STATEMENT OF MONCEF ELADHARI, AMERICAN ESCAPEE FROM IRAQ, GENERAL MANAGER OF THE ARCHITECTS COLLABORATIVE IN BAGHDAD

Mr. DYMALLY. Am I pronouncing that correctly? Will you help me please, Mr. Eladhari.

Mr. ELADHARI. Sure, Eladhari.

Mr. DYMALLY. Eladhari, okay.

A VOICE. Will you please use the mike?

Mr. DYMALLY. Yes, thank you. You may proceed.

Mr. ELADHARI. Thank you, Mr. Chairman. I think you will find my testimony eventually boring compared to Mr. Saba's here.

Mr. DYMALLY. Could you pull the mike closer to you please?

Mr. ELADHARI. My experience in Baghdad has been a very different one than the one he has experienced in the sense that somehow I was on my own, as I said here on my statement.

I am an engineer who works for a design firm located in Massachusetts who had had extensive practice and experience in the Middle East, in Kuwait and Iraq.

I have, myself, lived six years in Kuwait, from 1976, and four years in Baghdad, from 1982 to 1986, and had to leave in 1986 in view of the military situation. You may recall at the time there was the, if I remember correctly, the war of the cities.

We were being bombed. We were receiving missiles in Baghdad and I had to leave with my family for our own safety.

Anyway, I did return to Baghdad on a regular basis, and this trip in late July, beginning of August was the last trip actually I have made to Iraq. The purpose of the trip was basically to maintain contact with our clients there, Iraqi clients.

We have had a very long relationship with the Government of Iraq. We had started design work for the Government in the late 50's when Iraq was, at the time, still a kingdom, and obviously we have a lot invested in the country.

Besides the fact that the Iraqi Government still owes us money, I think we have tried to hope that things would eventually be better and that we would eventually one day return to Baghdad.

As far as I am concerned, I flew into Baghdad on July 30th. I will always remember my arrival. We arrived in late evening and we were landing at the airport. July 30th was a holiday. It was one of the anniversaries of the revolution there, and I would never forget the sight, the scenery of the fireworks that were popping out from all over the place in Baghdad.

The city was illuminated, and I certainly did not expect to find myself in the situation that I found myself later on.

Once in Baghdad, I checked at the Rashid Hotel. I happened to be there for no special reason. I usually try all hotels there in Baghdad. There are several that are as good as any one.

I went about my business the second day of my arrival. I arrived, as I said, on July 30th, very late at night. The 31st was more or less a day of rest. I called some colleagues, and so forth, and went to work on the 1st, so as far as I am concerned it was, at the time, still business as usual.

The invasion, as you know, took place on August, the night of August 1st to August 2nd, and caught me by surprise, like many others. I can see that.

And I must say that although obviously the news was important, the invasion was certainly a very drastic action on the part of the Iraqis, I may have eventually underestimated the seriousness of the situation.

I continued for a few days to actually go about my business.

I would like to mention that on the second day of my arrival in Baghdad, I did visit the U.S. Embassy, as I always did in the past. I registered, the standard form, telling them—obviously giving them my name and the address where I was located.

I also, by pure coincidence, met one of the Vice Counsels, Mr. Erick, who happened to be living also in the suburb of Boston and who saw my name and my U.S. address and asked me oh, are you from Massachusetts? I said yes, I am and we exchanged—in fact, I gave him my business card and we promised each other that we would meet again.

That particular day, and I am not exactly sure of the date, but it must have been the 1st, before the invasion, as I say, the situation was somehow tense because everybody knew that Iraq had amassed troops at the border, but there was no terrible concern about the situation.

The invasion took place and I went back to the Embassy. At the time, I think, there was a lot of confusion at the consulate there. Nobody knew exactly what was going on and so forth, and I was briefly told that the consulate had no particular advice to give, but they suggested that I should stay in Baghdad and not leave Baghdad, and spend as much time in my room, which eventually I did.

The only times I left the hotel was again, to do some business there and things of course started developing. I was concerned about, obviously, getting news. The only news available to me at the hotel were the Iraqi media in terms of the T.V. and the newspaper.

I met with some Iraqi colleagues who were listening to the BBC and Voice of America. News was very confusing. Nobody knew exactly what was going on, so whatever news I received was not very helpful to me.

Then a few things happened which increased my concern and I would like to list them here. I was requested by the hotel to move from the room I was in. I was on the 14th floor of the hotel and they moved me to the 2nd floor of the hotel.

I probably think that they wanted to somehow concentrate most of the foreigners in one part of the hotel.

I noticed that all of the Iraqi and Arab clientele from the hotel were leaving, therefore leaving only foreigners in the hotel.

Obviously I was unable to call the United States, either my family or my firm. Telexes were also not functioning. I also happened to be in the lobby of the hotel when the first group of U.S. hostages were brought from Kuwait. I didn't have a chance to talk to them. I maybe was more cautious than Michael here was.

They were surrounded by plainclothes security and so forth, and I felt that it may not have been the right time to talk to them or to question them.

I also had discussions with other foreigners in the hotel. There were French, German, Indian peoples in the hotel. I was not aware at all that there were Americans in the hotel until the day before my departure.

I had gone again back to the Embassy on the 6th for news. I was given a one page brief issued by the Embassy with a certain number of items on them. I do not recall all of the items. I do recall that one of them was about the fact that the Embassy was evacuating their non-essential people and family, and that they were recommending for all other U.S. citizens to make their own arrangements to leave Baghdad.

It obviously was disturbing to me because you would think that addressing yourself to your Embassy, you would definitely get more information and better advice than asking you to make your own proper arrangements to leave the country.

Anyway, I took, I think, the advice properly because I decided to leave Baghdad.

My first act in the beginning was to eventually, somehow, sneak out of the hotel and try to rent or hire a taxi in the streets and get to the Jordanian border.

I decided to basically leave through Jordan because I had, while living in Baghdad, already made that trip to Jordan and I was familiar basically with the environment and the conditions there.

Something happened on the 7th in the evening which really was the push that made me decide to leave as soon as possible.

I was having dinner in the cafeteria and I noticed that there were four gentlemen sitting not far away from me who I recognized as being Americans. I finally introduced myself to them and one of them was Michael here, Saba.

I introduced myself to them and apologized for intruding on them, but told them that I was concerned. I was a U.S. citizen at the hotel and I wanted to hear from them about what was happening and if they had made any plans to leave.

Their initial reaction was not exactly a very positive one because they didn't know I was in the hotel and under the circumstances, I could understand very well that when somebody, a complete stranger approaches you and asks you what your plans are to leave, you obviously have some reservation about inviting them.

But anyway, I was then made aware of the fact that the Embassy had, for whatever reason, forgot to put my name on the list of U.S. citizens that resided in the hotel. One of the four gentleman who was with Michael was some kind of a coordinator between the Embassy and the Rashid Hotel.

If I understand it correctly, there were coordinators in other hotels also.

This gentleman told me he had a list of persons. He pulled this list and he said I'm sorry, but I don't have your name on this list. What are you doing here? Have you registered, and so forth?

I did confirm all of this but I definitely felt that there was some unease, some tension in a sense.

Mike and his colleagues left. I went back to my room and as I said, realized that I was on my own and that I could not count on anyone else, including our Embassy, to eventually assist me in leaving the country.

The next morning I decided to leave. I called our legal advisor who was an Iraqi, a gentleman who I trusted entirely. I asked him to come to the hotel because I wanted someone to be eventually a witness to my departure from the hotel and help me make arrangements.

He came. I met again Michael who, at the time, gave me his card and gave me some good advice. I paid my bill and made arrangements with the hotel car rental agency for a taxi to Amman.

They couldn't give me a car to Amman, because the Iraqi drivers were not allowed to leave the country, but they gave me finally a car, a taxi to take me to the Jordanian border.

I made sure that the legal advisor had the name, the plate number of the taxi. I made sure that he understood that when he came back, he would call this Iraqi gentleman to inform him that I had left.

Just before leaving the hotel, I did call again the Embassy, our Embassy. I tried to reach a gentleman whose name was given to me by Michael. I couldn't. I finally got through to the consulate. A young person answered the phone. I introduced myself, told her the time that I was very surprised that my name hadn't been on the list that this coordinator had, but I said to her this is not the time for arguments. I called you to let you know that I was leaving the country.

I would like to step back a little here. Michael had informed me that there had been briefings every day organized by the American Embassy to which I was never invited.

Michael advised me that the Embassy was compiling a list of people who wanted their family to be contacted in the United States through the State Department. I was never made aware of that.

I finally left. The rest of my trip was somehow uneventful. I had some anxious moments at the border, at the Iraqi border, made it through. I had to rent an entire bus because there was no transportation from the Iraqi border post to Amman.

I did finally convince a Jordanian driver to rent his entire bus, and made it through Jordan.

My first action there was to try to find a hotel room. Hotels were booked up in Amman. There were a lot of refugees, a lot of journalists and so forth and finally I got to a hotel very late at night, around 11:30 or 12:00 o'clock.

I called my family to inform them that I was out and then I called the American Embassy in Amman. Someone answered the phone. I didn't ask for his name, but I assume he was a Marine or somebody on guard duty there.

I introduced myself, told them that I was a U.S. citizen and that I just crossed the Iraqi border and that I wanted to talk to the duty officer.

He said yes. He took my name, hotel, room number and so forth and promised that someone would call me back. I left the hotel the next morning around 10:00 o'clock for the airport and nobody called me back.

This is somehow the summary of my story, Mr.Chairman.
[The prepared statement of Mr. Eladhari follows:]

Moncef Eladhari

Statement

(Trip to Baghdad July30 / August 8, 1990)

Background information:

I am an engineer with The Architects Collaborative Inc., known as TAC, located in Cambridge, Massachusetts, one of the largest architecture and design firm in the U.S. with extensive practice and experience in the Middle East, particularly in Kuwait and Iraq, where TAC's involvement goes back to the late 1950s where we were commissioned to design the new University of Baghdad. It is within this context that I was untrusted, first in 1976, with managerial duties in our regional Kuwait Branch Office, and then in 1982, in our Iraq Branch Office until late 1986 when the worsening of the military situation and the continuing collapse of the Iraqi economy forced TAC to drastically reduce its presence in the country and brought an abrupt end to my (and my family's as well) residency in the country. This departure then, was thought to be temporary in the hope that the end of the war, at one reasonable point in time, would allow TAC to resume its professional activities and to permit my return to Baghdad. Future happenings in Irak clearly proved these goals to be unattainable, despite the signing of the cease fire agreement of August 1988. I did however continue to visit Irak on a regular basis for the purpose of maintaining contact with our many iraqi clients and our local office staff, ascertaining the status and attempting to expedite the processing/payment of unpaid professional fees due TAC by various Governmental Agencies and finally proceeding with the closing of our Baghdad Branch Office which could not be delayed any longer due to the termination of our contractual work in the country. The last of these "regular" visit to Iraq at the begining of August 1990 proved to be the most eventful.

Visit to Baghdad:

I flew in Baghdad after a short vacation in Europe, the late evening of July 30, 1990 and left Iraq through the Jordanian border on August 8, 1990. The following events or facts which took place during this period led me to decide to leave Iraq as soon as possible:

- The invasion of Kuwait by the Iraqi army August 2, 1990.
- The usual lack of news or information, beside those issued by the local media, and the many confusing rumors reported by those who were listening to western radio stations.
- The demand by the Al-Rasheed Hotel Management that I move to another room.

- The departure of all Iraqi and Arab clientele from the Hotel.
- The inability to place overseas calls and to send telexes from the Hotel and other facilities in Baghdad, almost immediately following the invasion.
- The arrival in the Hotel of the first group of US hostages brought from Kuwait and their "isolation" from the rest of the Hotel clientele.
- My discussions with other Foreigners (French, Germans, Indians...) in the Hotel.
- My meeting and discussions with other US citizens at the US Embassy and at the Hotel.
- The realization finally that if I wanted to leave the country, I had to make my own arrangements and not wait for any external assistance.

Departure from Baghdad and road Trip to Amman, Jordan. (August 8, 1990)

After making arrangements with the Hotel Car Rental Agency, I left Baghdad in a taxi for an approximately 6 hours trip to the Iraqi border post which I reached without any particular problems. The taxi was stopped on several occasions by Iraqi soldiers who manned check-points on the road but was allowed to continue after presentation of my passport. At the Iraqi border post, my passport was examined with great attention by several border officials who finally apposed the required exit stamp. The next step was to find transportation to take me to the Jordanian border post, located some 20 miles away. I was fortunate to be able to rent a Jordanian bus which was waiting for passengers who might have crossed the Iraqi border. I arrived safely again at the Jordanian border post where I was granted a transit visa by the Jordanian Authorities, and left soon after for Amman with the same bus. I spent one night in the Jordanian Capital and then flew back to Boston via Paris, France on August 10, 1990.

Conclusion:

I have purposely presented in this statement only facts and events which have had, some way or another, an impact on my personal experience during this recent trip to Baghdad, in the simplest and most concise format possible. I will be glad to develop and comment upon those which deserve a particular attention and interest.

I cannot conclude this statement without mentioning the fate of all those who have become unwilling "guests" in Iraq and who were not as lucky as I was to be able to leave when I could. The fate of these individuals rests on all of us, Government and private citizens alike. They must not be forgotten.

Mr. DYMALLY. Thank you very much. Let's go to Mr. Ewald and then we will come back with some questions.

Would you identify yourself please?

**STATEMENT OF THOMAS EWALD, FORMER AMERICAN HOSTAGE
FROM KUWAIT**

Mr. EWALD. Hi, my name is Thomas Ewald.

Mr. Chairman, members of the committee, thank you for inviting me here today to speak to you. I have been asked to testify before you on what happened to me in Kuwait and Iraq. But before I begin, I would like to say a few things.

First, I have been invited here, not because I am an expert on international relations or United States foreign policy, but because I can bring you a first-hand account of life as both a fugitive and as a hostage.

Therefore, as much as I can, I would like to defer any questions that you might have on what we ought to do.

Second, I am coming to speak to you under no banner other than my own. I represent neither an organized interest group nor a Government agency.

Third, some people, after leaving occupied Kuwait, have been altogether too open in the description of their experiences. The Iraqi Government monitors the press in the United States, and from discussions with persons that I consider to be highly reliable, some of the reports appearing in the press have resulted in the capture of Westerners and possibly the execution of the Kuwaitis that have been protecting them.

Therefore, a discussion in explicit detail of my period in hiding would not be prudent in this open forum.

Fourth, there seems to be a tendency to refer to all of the Americans in Iraq and Kuwait as hostages. This is not accurate. The Americans that are still in Kuwait are not hostages. Rather, they are fugitives that are hiding from the Iraqi forces seeking to round them up.

The only hostages are those that are being held by the Iraqis. There are two groups of Americans involved, each in a different position.

I had the bad luck to start work in Kuwait on August the 1st, one day before the Iraqi army invaded. And although I cannot provide you with insight into what Kuwait was like before the invasion, I can certainly let you know what I saw afterwards.

The Kuwaiti army was beaten before it even had a chance to start fighting, and the Iraqis were in full command of the city within a few hours. As an expat, I can fully attest to the confusion.

No one that I spoke with had any idea that the Iraqis were going to invade, and for my friends and me, the first days of the invasion were marked by an inability to obtain accurate information on the best course of action to follow.

The lack of hard facts led me to stay in my hotel in Kuwait until the Iraqis started to round up the Westerners in earnest. On the 19th of August, I left for a safe house where I remained until the 30th.

On the 30th of August, I left the safe house to try and give a letter to someone that was being allowed to leave for the West. On that day, I was picked up by the Iraqi secret police.

I managed to escape from them for a short period of time. However, I had the misfortune to have tried hiding in a house that was on the grounds of an Iraqi military base, and I was consequently recaptured.

The Iraqi secret police wanted to know where I had been hiding the past few days, and they threatened to kill me unless I told them. After they grew bored with my constant claims that I had been staying at the hotel the entire time, I was transported up to Baghdad.

On the 5th of September, I was moved to an installation as part of the human shield. On the 13th of September, on the front page of the Baghdad Observer, it was announced that Saddam Hussein was ordering that I be released as a result of a plea from my mother.

I assume that few if any of you have ever been in a country that has been conquered by a hostile power. If you have, then you have seen many of the same horrors. I have spoken to Westerners now in Iraq who have had soldiers break into their apartments and send their rifle butts through the television sets and VCR's.

I have returned to my apartment, only to find that it too had been looted. I have been surrounded by soldiers at gunpoint who marched me off after throwing everything in my pockets to the ground.

I have witnessed a country being literally stripped bare. The Iraqis are taking everything from the cars to the street signs to the blackboards in the schools.

And I have seen a shattered woman being carried away from a bus where she was assaulted and, according to a doctor, raped by an Iraqi soldier.

At the same time, I have experienced events that have filled me with great respect for the Kuwaitis.

On the first day of the invasion, two small power boats carrying civilians left the coast. On either side of the hotel, Iraqi tanks started to fire on these boats. Further out to sea, a small Kuwaiti gunboat had waited all day.

Upon seeing that there were two civilian vessels coming under fire, the captain of the boat started to steam towards the shore. The Iraqi tanks lost all interest in sinking the motor boats, and started to fire at the gunboat.

It was a miracle that the Kuwaiti ship was not lost, but the captain of that gunboat continued to stay close to shore, drawing the fire of the Iraqi forces until the civilian boats were safely away.

Before the invasion, Kuwait was a small and pacific nation, and no one that I spoke with expected that the Kuwaitis would resist the Iraqi army following the occupation.

During my time in Kuwait following the Iraqi invasion, from the 2nd to the 31st, neither a day nor a night went by without there being some fighting. I have heard the explosions and machine gun fire, and I have seen destroyed Iraqi tanks and trucks as well as a gutted building that was an Iraqi secret police headquarters.

Against one of the largest armies in the world, many Kuwaitis are fighting an impossible battle for the independence of their country.

At the same time, I have never been better treated by a nation's populace simply because I was an American.

Food was starting to be in short supply, with long lines at the markets and limits on the amount that one could purchase. When a store owner found out that Americans wanted to buy some food, he told us to come in by a back door so that we would not have to wait in line.

Once we were in the store, we were told that we could take as much as we wanted, and that if we did not have money, not to worry. We were Americans, and for us the food was free.

Iraq issued standing orders that anyone caught hiding Westerners would be immediately executed. In spite of this, I had multiple offers of shelter, some of which I accepted.

Those who harbored me had nothing to gain and everything to lose. And yet they were willing to risk their lives, and the lives of their families, to protect an American from capture by the Iraqi secret police.

At the same time that I was gaining insights into the Kuwaiti people, I have learned much about the Iraqis.

For the most part, their soldiers are illiterates who do not understand why their nation stands on the brink of yet another war. They all have stories to tell of the eight year war with Iran, and they are scared that should war break out, they will have to fight, in the words of one soldier, the Americans, the British, the French, the Saudis, the Kuwaitis, the Egyptians, the Syrians and the Iranians.

The ones that I spoke with know that their Government is isolated, and I suppose it is for that reason that three of them asked if I could pilot a boat out and take them with me. Never once did I hear a soldier say, "death to America."

Even among my captors in the Iraqi installation, I was able to detect genuine concern that a war might break out. I never felt that those that held me hated me. Rather, I felt that they were simply following orders, orders I feel that they wished that they did not have.

I have heard much speculation about life in the Iraqi installations and I would like to tell you simply what my experiences were.

Our guards were under orders to see that we were as comfortable as possible. Towards that end, we were provided with a wide selection of stolen Kuwaiti appliances—even some of the food we ate had been brought from Kuwait.

A doctor came by once a day to see that we were in good health. And strangely, they were constructing a bomb shelter for us out back.

We were well-treated, and our captors behaved in a humane way. Nevertheless, we were being held against our will and none of us knew what our ultimate fate would be. This was no condition that anyone, much less a person from a free society, could wish upon another.

With that, I conclude my remarks.

[The prepared statement of Mr. Ewald follows:]

TESTIMONY BY THOMAS EWALD, FORMER AMERICAN HOSTAGE FROM KUWAIT

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short period of time. However, I had the misfortune to have tried hiding in a house that was on the grounds of an Iraqi military base, and I was consequently recaptured. The Iraqi secret police wanted to know where I had been hiding the past few days, and they threatened to kill me unless I told them. After they grew bored with my constant claims that I had been staying at the hotel the entire time, I was transported up to Baghdad. On the fifth of September, I was moved to an "installation" as part of the "human shield." On the thirteenth of September, on the front page of the Baghdad Observer, it was announced that Saddam Hussein was ordering that I be released as a result of a plea from my mother.

I assume that few if any of you have ever been in a country that has been conquered by a hostile power. If you have, then we have seen many of the same horrors. I have spoken to Westerners now in Iraq who have had soldiers break into their apartments and send their rifle butts through the televisions sets and VCRs. I have returned to my apartment, only to find that it too had been looted. I have been surrounded by soldiers at gunpoint who marched me off after throwing everything in my pockets to the ground. I have witnessed a country being literally stripped bare; the Iraqis are taking everything from the cars to the street signs to the blackboards in the schools. And I have seen a shattered woman being carried away from a bus where she was assaulted and, according to a doctor, raped by an Iraqi soldier.

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independence of their country.

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Even among my captors in the Iraqi installation, I was able to detect genuine concern that a war might break out. I never felt that those that held me hated me. Rather, I felt that they were simply following orders. Orders I feel that they wished that they did not have.

I have heard much speculation about life in the "Iraqi installations", and I would like to tell you simply what my experiences were. Our guards were under orders to see that we were as comfortable as possible. Towards that end, we were provided with a wide selection of stolen Kuwaiti appliances; even some of the food we ate was taken from Kuwait. A doctor came by once a day to see that we were in good health. And, strangely, they were constructing a bomb shelter for us out back.

We were well treated, and our captors behaved in a humane way. Nevertheless, we were being held against our will, and none of us knew what our ultimate fate would be.

This was no condition that anyone, much less a person from a free society, could wish upon another.

With that, I conclude my remarks. Thank you once again for this opportunity to speak to you, and if there are any questions, I would be glad to try and answer them.

DETAILS OF ESCAPE FROM IRAQ

Mr. DYMALLY. Thank you very much. Mr. Saba, you spent a lot of time telling us about the relationship with the Embassy.

I think from a human interest point of view, we would like to find out a little bit about your travels from Baghdad to Kuwait and then to the border. What did you do for food? Were you stopped? What were the problems that you experienced?

Mr. SABA. Well, again, you see the day that I got out and Mr. Eladhari got out, I think there were about what? Seven or eight Americans totally that made it. Now, that's out of the 580 Americans, and I would estimate that that same day, had the information been correct, half of the Americans there could have gotten out. That question was asked by many on the panel.

However, it was a minimum of six, seven, eight hours to any border that we could have gotten out on, and once we left Baghdad, we were totally exposed.

Something had happened in Baghdad, and I was surrounded by troops once for example, and when I was surrounded by troops, I thought it was all over. They had machine guns and I thought something had happened in Baghdad and they were ordered to shoot us.

But we took food with us. I assume you took some lunch and water, etc., because we knew that it was anywhere from 10 to 15 to 20 hours to Amman, minimum, and we really didn't feel safe until we were in Amman.

We were surrounded by troops once, as I mentioned. We got out of that situation, got to the border, had some moments that were very difficult, machine gun fire going up into the air that was apparently just a celebration but it was very frightening to us, and then the No Man's Land getting from Iraq to the Jordanian border.

He had to rent a whole bus. We had run out of money so we had to hitchhike and walk, and this was at a point when we had asked the American Embassy to send vehicles, and then getting to Amman and the frustration of no rooms in the hotel because it was filled with journalists covering the story. They didn't pay much attention to us. They were paying attention to each other.

There was no response from the American Embassy in Amman. It was just—psychologically the experience, and I think you can hear from all of us, although I think none of us were physically mistreated, psychologically it was a horrible, horrible experience.

Mr. DYMALLY. What did you do for money?

Mr. SABA. I had spent all my money the day before. I bought my wife a couple of gifts, not knowing that this was going to happen, and so again, through a lot of nice people—Iraqis and some other foreigners—they gave me money. They saw that I was in a difficult position so they gave me Iraqi dinars.

But we were also told that we would probably need hard currency, U.S. currency, to buy airline tickets, if that was the case. Again, the American Embassy had no money for us, and if they did have money, we would have to come in and sign a form saying we were destitute.

Mr. DYMALLY. How did you get your air fare from Amman to home?

Mr. SABA. Then again we could use credit cards. We had credit cards, but since the United States Government had broken all contractual relationship with Iraq, they were no longer valid in Iraq.

Mr. DYMALLY. But they were good in Amman.

Mr. SABA. They were good in Amman, yeah.

Mr. DYMALLY. What was your experience when the troops stopped you in the taxi?

Mr. SABA. Well, it was kind of a funny experience actually because we had tried to get some gas and we were surrounded by troops right after we had gotten the gas and they had machine guns.

And I had just opened a lunch box and taken out a banana, and I was peeling the banana and I just started to eat it and all of sudden I looked up, and there were troops all around us with machine guns.

The American guy that I was with, I went out with one other guy, he said drop the banana. I said what for? He said we are surrounded by troops, and I said what am I going to do with a banana, hit the guy over the head? [Laughter.]

Mr. SABA. So I just kept eating my banana when these troops came up. I didn't know if I was going to get shot or what, but I just decided to keep eating my banana.

Later when I came out and the press asked me if I had carried any weapons, you know, on my way out, I said only a banana.

But in fact, they had stopped us because they had a report of a car of a similar description that had run a roadblock. Once they saw that it was not that car, and we showed them our passports and we had proper papers, they not only apologized but they offered us tea. We had some tea and they let us go on.

Mr. DYMALLY. I want to state that if you use that banana story there as a commercial, that this committee has turf imperative to get part of the commission.

Mr. SABA. Okay. [Laughter.]

WHY WERE REPORTS OF A MILITARY BUILD-UP DISREGARDED?

Mr. DYMALLY. Mr. Levine.

Mr. LEVINE. Thank you, Mr. Chairman. Let me join with the Chairman in welcoming you all here and telling you how much we appreciate your willingness to come and share your very difficult experiences with the subcommittee.

There are a number of fascinating human aspects to all of this, and there are some policy considerations as well. I would like to start briefly with one policy consideration that I would like to address to both Mr. Eladhari and Mr. Saba, in light of their testimony. I missed yours, Mr. Saba, but I've read yours. You have a statement which is consistent with things we have been hearing for some time, when you say you heard reports of the Iraqi troop build-up on the Iraq/Kuwait border.

"Those reports were generally disregarded by both the Saudis and the Americans with whom I met."

I think Mr. Eladhari had a similar statement, as I recall, but can you just tell us as Americans who were abroad, why this build-up was so casually disregarded, in your opinion?

It seems that our Administration and the Administrations of the Gulf states disregarded the reports. I have spoken with some Saudi officials in the past several weeks who were very candid in saying that they also discounted the likelihood that this build-up would move to an actual invasion.

I would just be interested, in retrospect, to the extent that you can assess why this was such a universally held view when it turned out to be so totally inaccurate?

Mr. DYMALLY. And to add to that, if I may, my friend, the Voice of America which is an official agency of this Government was saying one thing, and the Embassy was telling you something else.

In other words, the Voice of America doesn't speak to the State Department in Washington.

Mr. ELADHARI. If I may.

Mr. LEVINE. Please.

Mr. ELADHARI. I did mention that I lived six years in Kuwait, from 1976 to 1982, and I think I may have some interesting ideas to share with you, the basis of this experience.

I remember very well when I arrived in Kuwait in 1976, the issue of Iraq amassing troops at the Kuwaiti border had become a joke, and you may all be surprised at that, but this was a fact.

It was known that every time Iraq wanted to apply pressure on Kuwait, everybody knew that at the time—maybe not Saddam Hussein, but President Bakr and others—had a division of tanks not far away from the border, and they used to move these tanks closer to the border to apply pressure on the Kuwaitis. That happened on several occasions.

It all ended up in the same way. The Iraqis and the Kuwaitis sitting down together around a table and the Kuwaiti paying the Iraqis the price for pulling back their tanks.

I am not saying that this was the case, but I think the situation somehow was not unique. It certainly was unique in the sense that there wasn't 150,000 troops amassed at the border at the time, but I am saying to you that this kind of situation had already taken place between Kuwait and Iraq.

Mr. DYMALLY. Yes.

Mr. ELADHARI. I also want to add another thing, and I think this is public knowledge, there was a certain point I think in the early 70's, Iraq actually had invaded Bubiyan Island. Iraq had sent paratroopers on the island and had occupied Bubiyan Island.

Again, I am not aware of the details, but the two parties met and eventually agreed, and Iraq, you know, took their troops back to their own territory.

This may be a factor in underestimating at the time what Saddam Hussein had in mind.

This is just food for thought.

Mr. SABA. I would support that. That any of us that have traveled to that part of the world, and I have been traveling there for about 20 or 25 years, we have seen a lot of these situations before, where there were troops building up at the border.

More importantly, however, than just the troops building up on the border, and I did hear on the Voice of America the numbers of troops, but number one, that this particular meeting in Jeddah on the 1st of August broke down, and the fact that the American Em-

bassy apparently had information that if mediations broke down, Saddam Hussein said he would invade, and mediations broke down.

And again, if that information, if it was conveyed, it was certainly not conveyed in a proper form for all of us.

Secondly, the fact that we are now hearing from the CIA that apparently they knew that an invasion was going to take place, and if they did, either they were not telling the Embassy, or they were telling the Embassy and it was putting on a very good act.

Mr. LEVINE. I want to go back to that in one moment. I do have a specific question for Mr. Ewald, and we are about to go and vote.

You have a very enterprising mother for whom you obviously should be extremely grateful, and I take it you are. That's why you're here.

How did she get her letter to Saddam Hussein?

GETTING A LETTER TO SADDAM HUSSEIN

Mr. EWALD. And that's something, the Iraqi Government is obviously very different from ours, and I read in a press report that no one else had bothered to write them a letter.

What happened is she simply went one day, both of my parents—my poor dad gets left out of this the whole time.

Mr. LEVINE. I wasn't aware that your dad had a role in this or otherwise we would have included him also.

Mr. EWALD. No, he had a very big role to play.

Mr. DYMALLY. He went to the post office. [Laughter.]

Mr. EWALD. No, they went together. It was during August in Washington when all of you are out, and the place was a ghost town. They just knocked on the door of the Iraqi Embassy and they spoke with a person.

In spite of all the horrible things that have happened, the Iraqi people on the whole are very nice.

They met a particular person who felt sorry about what was happening and managed to get the letter through.

Mr. LEVINE. Well—

Mr. SABA. Can I just say something, because you mentioned the post office and this brings a point up. Because the families of the hostages have been told that they can mail letters to Iraq with certain post office box numbers, and they have them. It has been on CNN and it has been reported.

The post offices in the United States are not accepting these letters. They are sending them back, saying we are not allowed to send mail to Iraq. It is a very, very traumatic experience for those families, to find that out.

Mr. LEVINE. There are two things—

Mr. DYMALLY. Will the gentleman yield just for a moment?

Mr. LEVINE. Yes.

Mr. DYMALLY. Was the letter given to the Embassy?

Mr. EWALD. Yes, it was given to one of the consulate people.

Mr. DYMALLY. Thank you.

Mr. LEVINE. There are two things that I am baffled about and that are fascinating about all of this.

One is your assessments as to whether or not if other parents wrote to Saddam Hussein, their children would receive similar

treatment. Secondly, the two of you managed, through a fairly detailed and extensive route to get out, obviously at an earlier time.

But could others have availed themselves of that? Can others now avail themselves of that? What distinguishes your situation from the thousands of others who remain unhappily and unwillingly in Iraq?

Mr. SABA. Well, number one, we had short-term visas. When I mentioned the figure in my testimony that about half of the Americans could have probably gotten out at the same juncture that we got out, I am estimating that about half of the Americans had those kinds of visas.

The other half had residency visas which required an exit permit, so they would not have been allowed out at that point. That was a problem.

But again, this would have been something that, hopefully, the Embassy could have helped facilitate.

Now, on the other hand, at this point, as we move to this point, the recommendation that we invoke the Geneva Convention which really has conditions for dealing with the civilian population, and evacuation procedures, and the fact that the Iraqis themselves are already evacuating women and children, I think has to be pushed very hard.

The problem is, as both of these gentlemen have said, the Iraqi people told all of us they had nothing against us, it is Government to Government stuff. So when governments are at loggerheads, you need other efforts to take place.

Humanitarian efforts would probably be the way to go at this point.

WHAT SHOULD THE STATE DEPARTMENT DO TO ASSIST AMERICANS IN IRAQ?

Mr. LEVINE. Let me just ask one concluding question. You have all, or at least the two of you have had some pretty critical comments with regard to the State Department and what they did and didn't do.

If you were to spell out from this day forward what the State Department should do to assist Americans in Iraq, in addition to pursuing the Geneva protocols, precisely what would you suggest that the State Department on September 25th, 1990 do to assist those who are still there?

Mr. ELADHARI. I think Michael here has listed very specific suggestions in response to your question, Congressman.

I would like to add one and I think you may also have noted that in your statement.

I think the role of American businesses should not be underestimated, and I wish that as whatever they could be, advisors or listeners or whatever, they could be brought into the making of these evacuation plans or policies or whatever.

I think they have a lot to offer and that is basically it.

Mr. EWALD. Yes, I have one quick thing. As a hostage being held there and also as a fugitive, both the Australians and the British have something called Gulf Link which broadcasts short-wave radio messages. They are very non-political. It consists of "Bob and Sally

say hi to Mike, and they are announcing that they have a new baby girl."

You know, it was tough being an American and knowing that we had the wonderful VOA, but there was nothing like that for the Americans. For example, when we were in the installation I was with five Brits and every time at 9:15 or so they would all get by the short-wave and switch it on to Gulf Link and they would hear messages from different people, and I would be an American and sort of twiddle my thumbs.

Mr. DYMALLY. Interesting.

Mr. LEVINE. That's good to know.

Mr. DYMALLY. Thank you very much. The members are deeply grateful to all of you for coming here today and sharing your experiences with us.

We want to reserve the right, if you are so disposed, to send you some questions because of lack of time regarding policy, not the problems relating to any security matters in Kuwait and Iraq, to see how we can improve that policy.

You just mentioned one that I think is very practical, a short-wave radio station in many of these countries.

Thank you very much and we look forward to hearing from you.

We will break for about ten minutes and come back.

[A brief recess was taken from 2:30 p.m. until 2:48 p.m.]

Mr. DYMALLY. The Subcommittee on International Operations reconvenes the hearing relating to citizens and American embassies in Kuwait and Iraq.

Let me advise our final witness that we expect a final vote to take place on this measure shortly, and there is a 3:00 o'clock meeting to which members of the Foreign Affairs Committee are advised to attend.

So proceed.

STATEMENT OF COURT ROBINSON, SENIOR POLICY ANALYST, U.S. COMMITTEE FOR REFUGEES

Mr. ROBINSON. Thank you, Mr. Chairman. I will try to be very brief. I have a written statement which I would like to put in the record.

Mr. DYMALLY. Without objection, it shall be entered into the record.

Mr. ROBINSON. Let me just offer a few summary comments.

I think Mr. Ewald's point was quite well taken. I was going to talk about the other hostages in the Middle East. I think the fact really is that these are other hostages and fugitives.

The numbers are already substantial. We have 800,000 Arabs and Asians who have left or found themselves stranded outside of Iraq and Kuwait.

Among these, perhaps the most vulnerable are about 150,000 Asians. These were the so-called "hostages of the desert" that captured our attention when their faces flashed across the T.V. sets and their story has been told and retold in the newspapers.

But this really is just the first wave of potentially many more, each one perhaps larger and more desperate than the last, and it is those other populations that I would like to call some attention to.

We really have three groups I think that we need to be concerned about who are in various ways hostages. First of all, there are the people who are outside of Iraq and Kuwait now, and we will be looking at some of the relief and repatriation efforts that have gone forward for them.

Second, there are those who are still inside Iraq and Kuwait. Obviously we have heard today about the Americans, but there are many foreign nationals, as many as two million people who are trapped there, who would like nothing better than to go home, who have been displaced from their work, from their homes, in some instances, and are being threatened with denial of food, with army abuse, persecution and even executions.

I think we will see a more and more desperate situation for foreign nationals inside Iraq and Kuwait, and I should also mention the possibility that we will see Iraqi refugees.

We have seen Kuwaiti refugees now numbering more than 200,000, as I understand it. Clearly there are people inside those countries who may choose to leave—Assyrian Christians, Iraqi Kurds, Shi'a Muslims, people who have been subjected to Iraqi abuse over the years, and I see no reason for that kind of abuse to end in the context of a new conflict with Kuwait.

And lastly, there are other refugees around the world, 15 million of them, and we have to be sure that we do not inadvertently hold them hostage due to lack of resources. The world has put some \$245 million into the aid and repatriation effort in the Gulf. These are substantial sums.

The U.S. has given \$28 million of that. That has depleted our emergency refugee and migration account. It has depleted our migration and refugee assistance account, and I hope that Congress, as it considers the budget in an obviously very difficult time fiscally, finds a way to replenish those funds, not simply by earmarking or in other ways designating existing monies for this continued crisis, but rather adds in new money, substantial new money to the refugee accounts for the State Department.

Otherwise I think we will see people around the world finding themselves hostages, finding themselves increasingly in desperate situations with nothing available for them in the way of protection or assistance.

Mr. Saba and some of the others talked about the fact that there was nothing for them in Jordan when they came across the border. I think that was the case for basically everybody who came into Jordan and into Turkey.

I'm surprised that the world did not foresee that there would be refugees. We have talked about the prevailing consensus, suggesting that there would be no invasion, but following the invasion, it seems to me that the prevailing consensus was that there would possibly be no refugees.

We were wrong about that too, and weeks went by.

[The prepared statement of Mr. Robinson follows:]

Testimony by
Court Robinson
Senior Policy Analyst
U.S. Committee for Refugees

Mr. Chairman, on behalf of the U.S. Committee for Refugees, a program of the American Council for Nationalities Service, I am pleased to have the opportunity to give testimony on an issue of substantial humanitarian concern, not just for the United States, but for the world. The subject of the hearing today is American hostages being held in Iraq and Kuwait, in violation of international law and fundamental norms of decency. I would like to speak on the Middle East's other hostages: the hundreds of thousands of refugees and displaced persons who have been uprooted by Iraqi aggression and abuse, and the hundreds of thousands more who could follow.

I have essentially three points to make:

1. Since Saddam Hussein invaded and annexed Kuwait on August 2, more than 800,000 Arabs and Asians have left, or found themselves stranded outside of, Iraq and Kuwait. Many of these displaced persons and refugees have relied on their own resources or found help from governments in the region. But others, primarily South and Southeast Asians, have required the assistance of the international community. The worldwide response to the relief and repatriation effort has been generous--more than \$245 million has been contributed--but much more will be needed if substantial displacement continues.
2. At least 400,000 foreign nationals are displaced inside Iraq and Kuwait, living outside of Baghdad or along the border, poised to move into Jordan, Turkey, Syria, and Iran. Their condition is largely unknown, since Iraq will not permit any monitoring by the International Committee of the Red Cross, but they must be considered at risk. Hussein has denied food rations to Asian nationals and insisted that their own governments must feed them. International humanitarian aid, with adequate monitoring of distribution, must be available to these vulnerable populations in Iraq and Kuwait. Departure for all who seek to leave must not be impeded.
3. The United States has secured \$20 billion in pledges for troop deployment and impact aid to the "frontline" states most affected by the embargo on Iraq. The international community, including our government, has given several hundred million dollars to aid displaced persons in the Middle East. It is imperative that we do not hold other refugee populations, and other humanitarian emergencies, hostage to the crisis in the Persian Gulf. To prevent that will require an infusion of new money for refugee assistance worldwide.

A. Refugees and Displaced Persons Outside of Iraq and Kuwait

More than 800,000 Arabs and Asians have left, or found themselves stranded outside of, Iraq and Kuwait. They include about 200,000 Kuwaiti refugees in Saudi Arabia and other Gulf States; around 500,000 Saudis, Egyptians, Jordanians, Yemenis and Syrians who have returned home; and roughly 150,000 Asians--from Bangladesh, India, Pakistan, Sri Lanka, Thailand, the Philippines, and elsewhere--who have found the way home to be especially precarious.

Having lost their possessions and negotiated a difficult 1,000-mile trip overland from Baghdad, the first wave of refugees from Iraqi aggression found themselves "hostages of the desert," as one relief official put it. By the first week of September, there were more than 75,000 refugees, most of them Asians, trapped in a barren and inhospitable no-man's land along the Jordanian-Iraqi border. Temperatures in the makeshift border camps could rocket to 120 degrees in the daytime and plunge to near freezing at night. But as of September 7, one month after the exodus began, about 40 percent of the 40,000 people at Shaalan One, the largest border camp, still had no shelter. Blankets, food, medicine, and water were all in dangerously short supply.

Since then, more than \$100 million in international contributions have poured into Jordan. Three border camps (Shaalan One, Two, and Three) have been closed and their populations moved to more acceptable and accessible facilities in Azraq, 40 miles from the capital city of Amman. Thanks to a swift, worldwide response to a \$60 million appeal from the International Organization for Migration (IOM), the agency that is coordinating the massive repatriation effort, about 50,000 Asians will be flown or shipped out of Jordan by the end of September. At least 540,000 displaced persons have transited Jordan since August, but only about 40,000 remain in the country.

Jordan has seen the largest numbers of displaced persons moving out of Iraq and Kuwait, but other neighboring states have been affected as well.

As of September 17, nearly 40,000 foreign nationals had entered Turkey from Iraq, including 21,700 people from Pakistan and 10,700 from Bangladesh. Most of them have already gotten home--flights have been averaging 1,000 to 1,500 persons per day--and the population in the Turkish transit camp at Habur Gate is down to about 2,600.

But an estimated 35,000-40,000 people are reportedly waiting just across the border in Iraq. Their immediate problem is getting permission from Iraqi authorities to leave the country. According to a situation report from the U.N. Disaster Relief Organization (UNDRO), "They are reportedly in a deteriorating situation due to lack of food and water." Should they be allowed to depart, another problem arises. The Turkish government will accept a maximum of 7,000 people in its transit camp. This makes it imperative to keep repatriation moving as rapidly as possible.

Up to 70,000 people have entered Syria since August, even though the Syrian-Iraqi border is officially closed. Of these, UNDRO reports that 30,000 are in need of urgent assistance, including 20,000 Syrians, 8,000 Lebanese, and about 2,000 Palestinians. The Syrian government has established two transit camps for the evacuees. Food is adequate for the current population, according to UNDRO, but there are "urgent needs" in the areas of shelter, health, sanitation, and water.

The international community has contributed more than \$245 million to provide relief aid and repatriation for displaced persons in the Middle East, and governments in the region have given tens of millions more. The U.S. contribution now stands at \$28 million. The edge is off the immediate crisis and movements out of Iraq and Kuwait have slowed in recent days. But the deluge could resume at any moment.

There are credible reports that at least 400,000 Egyptians and Asians have been displaced from their homes and jobs, and are poised to cross into Jordan

and Turkey. Hundreds of thousands more people, feeling the effects of food shortages and a brutalizing army occupation, could seize their first chance to flee. The relief and repatriation efforts must be sustained or we risk a repeat of the crisis in the desert, this time with far more calamitous results.

IOM reports that, in response to its initial appeal for \$60 million, 16 governments and international agencies have pledged a total of \$45 million in cash and \$8.3 million in commitments of aircraft. These contributions have enabled IOM to arrange for the departure of 49,000 people from Jordan and 11,800 people from Turkey. But, according to an IOM update issued on September 21, "funds are running short for additional repatriation efforts after these initial flights depart." With repatriation costs averaging between \$500 and \$700 per person, additional needs could run in the hundreds of millions.

Another factor to consider is that repatriation may not be an option for an increasing number of people fleeing Iraq and Kuwait. Kuwaiti refugees are an obvious example. It is quite possible that Iraqis could begin to leave their country as well. But there are others. The U.N. High Commissioner for Refugees (UNHCR) notes that persons from refugee-producing countries (Sri Lanka, China, Romania, and Sudan, for example) who have been working in the Gulf region now may be unemployed but unwilling to return home due to a well-founded fear of persecution. In addition, UNHCR reports, there are "an undetermined number of recognized refugees who left first-asylum countries to work in the Gulf region and now will be obliged to return to these countries of first asylum, often to refugee camps where they cannot work and will require assistance." Two examples are Ethiopians and Somalis.

Still another group of concern to UNHCR are Iraqi prisoners of war and an estimated 500,000 Iraqi war refugees in Iran. As Iran and Iraq move closer to settling their longstanding disputes, both prisoners of war and possibly refugees as well may find that a return home has been negotiated. UNHCR must

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play a role to ensure that no involuntary repatriation takes place. Of particular concern are the roughly 90,000 Iraqi Kurds who are being assisted by UNHCR in Iran. (Another 33,000 Iraqi Kurds are refugees in Turkey).

Although the U.N. Secretary General has designated UNDRO as the coordinating agency for displaced persons in the Middle East, UNHCR has issued an appeal for \$4.85 million to provide protection and assistance to asylum seekers and refugees, based on an initial planning figure of 100,000 people.

B. Displaced Persons and Others at Risk Inside Iraq and Kuwait

There are at least 400,000 people displaced outside of Baghdad or along the Iraqi border. About 300,000 are believed to be Egyptians, and the remainder are Asians of various nationalities. Information is sketchy, but this population must be considered highly vulnerable, both to the elements and to Iraqi army coercion and abuse. Food, water, and shelter are reportedly scarce, and recent refugees tell of Iraqi soldiers searching house to house for foreign nationals and suspected Kuwaiti resisters. Houses have been confiscated or destroyed, and some people have been executed in the streets.

"The people are frightened. There is shooting and killings," one refugee told the New York Times. "The Iraqis are killing Kuwait. They are killing our country."

The potential for further, even more massive displacement of people is very real. Estimates of foreign nationals now in Iraq and Kuwait run as high as 2 million, and there are about 600,000 Kuwaitis still in their country. Other populations in Iraq and Kuwait--including Shi'a Muslims, Syrian Christians, and Iraqi Kurds--may come to feel increasingly threatened and compelled to flee.

Even as contingency plans must be made for a new outflow of refugees from Iraq and Kuwait, efforts must be redoubled to assist those still inside. The

UN Secretary-General's special representative for humanitarian assistance in the Middle East, Prince Sadruddin Aga Khan, is seeking an agreement with Saddam Hussein to distribute humanitarian food and medical aid, under impartial supervision, to designated civilian populations in Iraq and Kuwait. On September 4, Iraq announced that Asian expatriates would be denied ration cards and would have to rely on aid from home instead. Hussein clearly intends to use food as a weapon in order to undermine international support for the UN-sanctioned embargo. So far, he has refused to allow a visit by the Aga Khan or to permit international monitoring of humanitarian assistance inside Iraq or Kuwait.

The UN Security Council has insisted that food and medicine may pass through the embargo for humanitarian purposes, but only if distribution is supervised by a UN agency or the international Red Cross.

The Indian government, meanwhile, is sending a ship, the Vishva Siddhi, with 10,000 tons of food and some medicine to aid an estimated 130,000 Indian nationals in Iraq and Kuwait. On board are four officials from the Indian Red Cross. It remains to be seen whether such a presence will satisfy the UN demand for reliable monitoring and Hussein's objection to international supervision. Flexibility will be needed on both sides to ensure that humanitarian aid is available to noncombatants. Ideally, Hussein should allow the International Committee of the Red Cross (ICRC) both to distribute humanitarian aid and to monitor the effects of the embargo on all civilians in Iraq and Kuwait. It would also be extremely helpful if ICRC could negotiate expanded opportunities for direct departures from Baghdad and Kuwait.

Mr. Chairman, the plight of these hundreds of thousands of displaced people inside Iraq and Kuwait, and our almost total inability to reach them, dramatically underscores the lack of international safeguards and instruments to protect and assist the world's 30 million internally displaced refugees.

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When a person crosses a recognized border and seeks asylum in another country, a host of agencies and legal instruments are there, or at least have a mandate to be there, to protect that person. But whatever protection or assistance may be available to the internally displaced is subject to the approval of the home government, the very government that may be creating the need for protection and aid in the first place. I doubt that we will make much headway on this issue in this context, since the crisis in the Gulf is as much about the sovereignty of borders as it is about oil. But someone must take responsibility when millions of men, women, and children around the world are suffering at the hands of governments who shield their abuses behind a seemingly impenetrable wall of state sovereignty. In times of true humanitarian need, we should remember that wall is only paper-thin.

C. Worldwide Refugee Assistance Must Not be Held Hostage to the Gulf Crisis

The United States has secured \$20 billion in pledges for troop deployment and impact aid to the frontline states most affected by the embargo on Iraq. The international community, including our government, has given several hundred million dollars to aid displaced persons in the Middle East. It is imperative that we do not hold other refugee populations, and other refugee emergencies, hostage to the crisis in the Persian Gulf.

Congress must replenish the refugee funds that have been spent on the relief and repatriation effort in Jordan. Going into a new fiscal year, which begins October 1, the U.S. government has only \$14 million left to spend on refugee emergencies throughout the world. That money won't stretch very far in the Middle East, let alone Asia or Africa, where there are emergencies aplenty. More than 500,000 refugees have fled a bloody nine-month civil war in Liberia and are now scattered throughout the neighboring countries of Guinea, Cote D'Ivoire, and Sierra Leone. But while international humanitarian

aid to displaced persons in the Middle East now exceeds \$245 million, international relief to Liberian refugees totals only one-tenth that amount.

Given the ruinous state of the U.S. budget, Congress may be tempted to respond to the crisis in Jordan simply by earmarking existing refugee funds. That could only have fatal consequences for refugees elsewhere in the world. U.S. contributions to both general and special programs of UNHCR, ICRC, and other international humanitarian agencies have slipped dramatically in recent years. In 1985, the United States provided about \$25 per refugee in basic survival services. In 1990, as the worldwide refugee population has grown from 10 million to 15 million, that per capita figure has shrunk to about \$12. The Administration has asked for roughly \$240 million in refugee assistance funds for fiscal year 1991. In light of the substantial new numbers of refugees on the move throughout the world, Congress should allocate \$100 million over and above that amount, without earmarks.

While we are on the subject of the United Nations, I would like to endorse the New York Times' excellent editorial of Monday, September 24, which notes that the United States owes \$231 million in current annual dues and an additional \$220 million in unpaid past dues. We are asking so much of the United Nations these days in Afghanistan, Namibia, Cambodia, Central America, and elsewhere. We need to translate our cheerleading into cold cash, and start paying our bills.

The crises in Jordan and Liberia show us that the end of the Cold War does not in any way mean the end of refugee flight. Peeling away the ideological veneer in all too many conflicts has laid bare deeper and more dangerous ethnic animosities and territorial appetites. The "new world order" that President Bush speaks about may bring little new order to the world. Until it does, the old business of saving lives in chaos must go on.

WHY DID REFUGEE ASSISTANCE TAKE SO LONG?

Mr. DYMALLY. That was my question. Why did it take us so long to even come to their aid?

Mr. ROBINSON. Political complications, logistical complications, and questions: who is responsible for this? Is it the Jordanian Red Crescent Society? Is it the U.N. Disaster Relief Organization? Should it be the U.N. High Commissioner for Refugees?

Mr. DYMALLY. And did we not also have a problem as to whether they were refugees or displaced persons?

Mr. ROBINSON. Again, the questions: Are they refugees? Are they displaced? Are they evacuees? I think as these conversations went on, people suffered at the border and we saw their faces. There was no water. There were no tents. There was no shelter. There was no medicine.

Weeks went by and these questions appeared to pre-occupy our time rather than addressing the immediate need which is getting aid out where it was needed.

SITUATION OF THE PEOPLE INSIDE KUWAIT

Mr. DYMALLY. Mr. Robinson, you are touching this—these faces that we saw, what about the faces that we do not see? What news do you have about those people inside Kuwait?

Mr. ROBINSON. Information obviously is sketchy. One of the problems is that Saddam Hussein will not allow the International Committee of the Red Cross to get inside and make assessments of these people.

We get some information from the Iraqi Red Crescent Society, but obviously, that is a government-controlled agency. I am not suggesting that their information is necessarily unreliable, but it is sketchy at best.

We do know some things. We know that about 400,000 people, largely Egyptians, have been displaced. They are living outside of Baghdad. Some of them may be massing on the border, borders of Iraq and Turkey primarily because those borders have been at least officially somewhat more porous than the Syrian and Iranian borders.

We know that the situation is growing more desperate for them. Reports of people who have come across recently suggest that water is scarce again. The same problems we encountered on the Jordanian side of the border obviously must apply inside Iraq, and will only get worse, I think, as Hussein begins to selectively single out people who will be the first victims of food shortages and medical shortages as well.

Mr. DYMALLY. Are those Egyptians and other nationals being permitted to leave?

Mr. ROBINSON. As far as we—this again is another rather puzzling aspect. They are massing at the border. The numbers coming into Jordan and Turkey have been substantially less than they were in late August and early September.

We have to believe that there has been some trouble in obtaining exit permits. It seems to me that people will ultimately get so desperate they may make a run and just come spilling across.

Jordan and Turkey have extended, I would say—

Mr. DYMALLY. Of course, they run the risk of being shot too.

Mr. ROBINSON. And they run the risk of being shot, but I think it is fair to say that they might take matters into their own hands. We should remember that the Jordanian and Turkish commitments of hospitality are conditional.

Turkey has said we will allow only 7,000 people in its transit camp, so we have to maintain a repatriation effort for those people who can go home. That's a very expensive proposition, costing upwards of \$500 per person.

Mr. DYMALLY. Is the Saudi border open?

Mr. ROBINSON. The Saudi border, I think, has been opened and closed.

Mr. DYMALLY. Closed.

Mr. ROBINSON. The Iraqis opened it for a brief period of time, let Kuwaitis through, and then began to arrest Kuwaiti males as they went across the border.

Mr. DYMALLY. Right. I see.

Mr. ROBINSON. I don't know how well they can patrol absolutely the entire length of the border, but I think at this point it is officially closed.

FOOD ARRANGEMENTS FOR INDIANS IN KUWAIT

Mr. DYMALLY. What about the arrangement the Indians made with the Iraqis?

Mr. ROBINSON. Well, the ship, the Vishwa Siddhi, I think the name is, is about to dock in Kuwait City carrying some ten thousand tons of food primarily for Indian nationals who number at least 130,000 in Kuwait alone.

Again, Hussein has not allowed the International Committee of the Red Cross to monitor that aid, or to distribute the aid, and the U.N. Security Council has insisted that that aid be monitored so as to prevent it from falling into the hands of Iraqi troops or others who are not in need of such assistance.

The Indian Red Cross has stepped in and said, in effect, "we think we can offer a compromise. Iraq has permitted us to land this ship. We will monitor the distribution of the aid." We have to hope for the sake of the people involved that that aid is not only distributed, but it is monitored in such a way that the U.N. Security Council deems appropriate.

We cannot allow food to be used as a weapon. There is already a growing arsenal of very deadly military weapons over there, and food should not be added to that list. I think that's going to take some flexibility on both sides.

I think Hussein should certainly allow the ICRC in, not only to monitor foreign nationals, but to monitor other civilians—Iraqi and Kuwaiti civilians—whom Hussein insists will be victimized by this embargo.

Let the ICRC in to monitor. Find a way in which we can get humanitarian aid in to people who are vulnerable, but be sure that that aid is going to people who need it, not to Iraqi troops.

I think we also have to use the ICRC to engage in more systematic efforts to get people directly out of Baghdad and Kuwait City. There is no reason why people should be forced to take that ardu-

ous trip to the border when they can be flown directly out to their home country.

But let me add here that one of the concerns we have is that there is a growing number of people who may not have a home to go to.

Mr. DYMALLY. Who?

THOSE WITHOUT HOMES TO RETURN TO

Mr. ROBINSON. We have Iraqis and Kuwaitis who will leave, whose home of course, is what they just left. They can't repatriate because of reasons of fear of persecution or, God forbid, an all out war, but there are other populations.

There are 16,000 Vietnamese, for example, guest workers in Iraq. Where do they go? Can they go home again? Viet Nam has been a refugee producing country for many years.

Sri Lankans, many have already gone home, but there is a civil war, and a very violent one, in their country. There may be people who put themselves at the mercy of the U.N. High Commissioner for Refugees and say, "I can't go back, I have no home to go to. What I need is asylum."

Will Jordan be willing to provide that? Will Turkey? Will Iran? Iran already has 500,000 Iraqi war refugees, 90,000 Kurds. Turkey has 33,000 Iraqi Kurds.

All of these people, I would submit, are in increasing jeopardy, and while the repatriation effort has to be sustained, although it will be very costly, it is not going to provide an answer for those who will become the real refugees, who are the real refugees. That is another whole problem entirely that will require some political creativity and again, more resources.

So we come back to this question of money. It is going to take substantially more money than the U.S. has given. We have given \$28 million, out of, as I said, a worldwide total of more than \$245 million.

It is going to take hundreds of millions more, I'm afraid, before we see the end of this.

STATUS OF DISPLACED PERSON IN THE JORDANIAN DESERT

Mr. DYMALLY. What is the status of those refugees, displaced persons in the Jordanian desert, and what role has the United States played, if any?

Mr. ROBINSON. I think that that immediate crisis has been resolved, and while there were some very real problems in positioning aid for a period of weeks, in the last three weeks, I would say, it has been a remarkably successful effort.

The camps at Shaalan 1, 2 and 3 on the border in this so-called "No Man's Land" between Jordan and Iraq have been closed. All of the people have been moved to new facilities in Asraq which is much closer to Amman, much more accessible, and a much more hospitable situation.

The population in Jordan, the displaced persons population was, at one time, up around 105,000. It is now down to about 30,000, so again, the repatriation effort has been moving people out quite effectively and quite rapidly.

But we are all holding our breaths. Who is just across the border? How many will spill across? What condition will they be in? Will we see new Shaalans 1's, 2's, and 3's set up because the Jordanian Government does not want to see these people simply pouring in to facilities much closer to the center of their society, if you will.

The same situation in Turkey. There were 33,000 in Turkey. Only about 2,600 are now in the transit camp, but reports again of about 40,000 people massing across the border. Will they spill across into Turkey? Will Turkey allow this to happen, if indeed it is a mass movement of people?

Will there be aid in place to make sure that we don't have people starving or dying of dehydration or over-exposure?

These questions loom before us and I am not satisfied that there are answers for all of those questions. And that of course, is just possibly the tip of the iceberg. The 400,000 who have been uprooted already are part of, as I said, two million foreign nationals and countless Iraqis and Kuwaitis who may feel themselves at risk, and decide to try and make it to a border and put themselves at the mercy of the international community and the U.N.

Mr. DYMALLY. Mr. Robinson, we want to thank you for your patience. You have been here a long time, and I regret we had so many interruptions, but we have come to the conclusion of our hearing this morning.

I hope you will be available to meet with staff for some further information which you could impart to the committee.

Mr. ROBINSON. Certainly.

Mr. DYMALLY. I want to thank all of the witnesses who came.

Mr. ROBINSON. Thank you very much for the opportunity to be here.

Mr. DYMALLY. And the meeting is adjourned.

[Whereupon, at 3:07, the hearing was adjourned.]

THE PERSIAN GULF CRISIS

Implications for the 1990's

WEDNESDAY, OCTOBER 17, 1990

**HOUSE OF REPRESENTATIVES,
COMMITTEE ON FOREIGN AFFAIRS,
SUBCOMMITTEE ON EUROPE AND THE MIDDLE EAST,
Washington, DC.**

The subcommittee met at 10:30 a.m., in room 2200, Rayburn Office Building, Hon. Lee H. Hamilton (chairman of the subcommittee) presiding.

Mr. HAMILTON. The meeting of the subcommittee will come to order.

The Subcommittee on Europe and the Middle East meets today in open session to discuss the Persian Gulf crisis and its implications for U.S. policy.

Our witnesses today are Sohrab Sobhani, Professor of National Security Studies, Georgetown University; Richard K. Herrmann, Department of Political Science, Ohio State University; James Placke, a former Foreign Service officer with 30 years of experience who is now an International Affairs Consultant affiliated with the law firm of Paul, Hastings, Janofsky and Walker.

Gentlemen, we welcome you before the subcommittee. I apologize for the delay as we cast votes.

Your prepared statements will be entered into the record in full. We would appreciate very much if you would proceed to summarize your statement so we can turn to questions promptly.

I understand, Mr. Herrmann, you are to go first, and you may proceed.

STATEMENT OF RICHARD K. HERRMANN, DEPARTMENT OF POLITICAL SCIENCE, OHIO STATE UNIVERSITY

Mr. HERRMANN. Thank you.

My statement is in three parts. There is a section on what I think propelled us into this crisis dealing with my judgments on Saddam's overall agenda as it evolved over the last decade. This includes some broader issues beyond that agenda which I feel have facilitated Saddam's ability to mobilize Arabs outside Iraq. I think the United States has been slow to recognize these unresolved political and economic trends that allow Saddam to tap mass-based Arab frustrations.

I then move to what I think is likely to happen now and discuss three likely outcomes. The one I think is most likely in the short run is a diplomatic stalemate. I think Saddam has little incentive

to escalate and the costs for the United States to escalate are very high.

What I can imagine is this diplomatic standoff evolving sometime in late 1990 into an Iraqi decision to invite, perhaps, Yemen, Jordan, and Algeria to send forces to Kuwait to defend against what they will claim is an impending American attack.

That will provide the beginning of a political cover for a force that will evolve into an Arab League force in Kuwait which would allow Saddam to rotate his forces out while saving face.

In the meantime, I suspect Egypt and Syria would not allow that kind of force to go in alone, but insist on influencing its nature and composition.

We would see a lot of negotiation by Arabs about the nature of that force. Then there would be an argument following that on the restoration of Kuwait's legitimate government, assuming the international sanctions remained on Iraq.

Saddam, if forced, would then negotiate over the reconstruction of a legitimate government. My guess is that this is going to be promoted by a variety of regional parties trying to facilitate such a resolution. One which might have the most likely possibility of success is the Islamic group lead by Dr. Hassan al-Turabi.

The Islamic delegation which included Turabi and Rachid Ghanouchi recently visited Baghdad and said they found some flexibility on the Kuwait issue. Their angle is to persuade Saddam to resolve Kuwait issues by linking Saddam's withdrawal to the Palestinian issue. They said there were reasons to think that Saddam was willing to move out of Kuwait. We will wait to see.

My point in opening is that I suspect regional efforts like that, and others, will eventually produce some kind of regionally negotiated proposal.

Another possibility is what I understand to be an Iranian proposal floated through Syria that calls for a regional conference, excluding non-regional players, to discuss the resolution of the Kuwaiti crisis and Gulf security.

A regionally negotiated solution is still possible and probably the best way for the crisis to unwind, but the risks of war remain very real. There are a number of scenarios for war's outbreak. In the past, Gulf monarchies have found a variety of ways to make deals with Saddam. I think in the future, they will feel that they cannot appease him.

There is an incentive, therefore, on their part, to encourage other forces to contain Saddam and even increase their current objectives to include his elimination. That could produce war.

There is always the danger of an Israeli-Iraq war, and instability in Jordan produces all kinds of potential scenarios.

Let me turn now to my sense of what we should do. My preference is for a multilateral option based on the United Nations' sanctions that are already in place.

I think we need to allow time for the economic and diplomatic sanctions to work. It may take a long time, as much as a year, maybe more. I am not overlooking the risks—the threats to the monarchies in the Gulf and the threat to the destruction of Kuwait under Iraqi occupation. But I think the risk of using force, particu-

larly if Washington decides to escalate without further provocation to try to liberate Kuwait, are still higher.

I think the military solutions as a quick fix is mostly romantic. In my judgment, there would be high costs in the Arab world. I think it is important to note that Iraq is mostly an urban country. Over 75 percent of its population lives in only three cities. It is hard for me to imagine a heavy military attack on Iraq without substantial collateral damage and civilian casualties.

I cannot imagine on American-led attack on Iraqi troops in Kuwait that without complementary attacks on Iraq would not produce heavy American casualties. And, I do not think aerial attacks on Iraq will produce the desired results unless ground troops expel Iraqi forces in Kuwait and this will also involve heavy casualties.

It is hard for me to imagine a major attack, our Arab allies, Egypt, for instance, would be able to remain closely aligned to us.

I also think that should force be the option we choose, then the Arab monarchies will be vulnerable after that use of force. We would then be expected to support our friends and support them against some of their own people. This will drag us deeper into intra-Arab struggles. I think in the long run, that would be too expensive and untenable for the United States in the Middle East.

I also believe Iraq is a good candidate for the successful strategy of containment as originally designed by George Kennan. Iraq has a dictatorial system with a leader who, I believe, has a vulnerable domestic base, and who is partly using foreign policy grandeur to bolster his domestic position.

If we make an assault, I think we will strengthen him as a Nationalist, continue to make him look like a hero, and if successful militarily, fail politically to really change the trends in the Middle East that have fueled Saddam's appeal in the "Arab streets".

A vast majority of Iraq's food is imported. I think more importantly, most of his economy, spare parts, machinery, and the like, will grind to a halt without access to the world market. This will not happen immediately but over time.

I see only two potential allies for Iraq; those are Syria and Iran. I think we can all see there are enormous obstacles for an Iraqi-Syrian or Iraqi-Iranian rapprochement.

There is a real possibility of such a development, but it has enormous obstacles and seems less likely to emerge than other scenarios.

No one can know whose side time will ultimately be on. But I believe we can afford to wait quite a long time and use that time to see what sort of regional systems we can imagine for a post-crisis situation and continue to put economic, political, and diplomatic pressure on Iraq.

There is no evidence at this point, that the international consensus is breaking or that it will break short of an Iraqi withdrawal from Kuwait and restoration of a legitimate government.

I think we need to think about a conference on security cooperation in the Gulf that legitimizes non-regional participation. I think this will be very difficult for Iran and Iraq to agree to.

But without some multilateral system that would institutionalize the current multilateral deployment, it is hard to imagine how the

weaker states of the Gulf would feel confident in a post-crisis environment facing Iraq or Iran.

I think in the short run, this conference, if it was created, would serve to legitimate and signal to the world that non-regional parties do have an important interest in the Gulf and can play a role in its long-term security.

I think we should propose a set of confidence-building measures that would reassure Arab states in the Gulf, as well as Iran, for that matter, that they can live with Iraq even in a post-crisis situation where Iraq's military and industrial base has not been destroyed.

I don't believe confidence measures need to be naive. I think they can be introduced to have far-reaching impact requiring deep cuts on site inspection and whatever else is required along that way.

I also believe that we should support the Mubarak proposal which deals with weapons of mass destruction in the Middle East more generally. If that constrains some of our own freedom to sell arms to the Gulf states, I think that would be a price we could afford to pay as long as we were constructing a regional framework that would deal seriously with conventional arms control, proliferation, and confidence-building. I think this is the more promising approach to the evolution of modern power in the Gulf and that simply trying to retard development by bombing every decade or so is simply not a viable approach.

Last, I would suggest that to contain Saddam, we need to discredit what I would call his "peace through strength contention" with regard to the Arab-Israeli issue.

I think it is undeniable that he has been able to capitalize on the failure of the United States and Egypt and Israel to find a way to get direct face-to-face Palestinian-Israeli talks going in Cairo.

I think we should not let our determination to not reward Saddam in any way for his aggression, paralyze our efforts to help Mubarak make his strategy of mutual reassurance seem credible in the Arab world. Forgiving the debt of Egypt, I think, is a sensible beginning; but is not nearly enough. That will confirm an Arab conception that Mubarak has been bought.

I think it is important to show that Egypt's moderate approach to peace with Israel can produce positive payoffs for Arab national aspirations, including Palestinians. That means a new balance in terms of American policy. We need to reassure Israel of its security, and, at the same time, restore our credibility in Israel as a country that while supportive, is determined to pursue American policy and that we mean what we say with regards to increasing settlements, East Jerusalem, and the participation of Palestinians from the Diaspora, in future negotiations.

I think if the current crisis is resolved, there may be new opportunity for an international approach to the Arab-Israeli issue, but I think it has to follow the settlement of the Gulf crisis.

Mr. HAMILTON. All right, sir. Thank you very much.

Mr. Placke, welcome you back. We are glad to have you. You may proceed.

STATEMENT OF JAMES A. PLACKE, INTERNATIONAL AFFAIRS
CONSULTANT

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

It's a pleasure to be here. I find that much of what Mr. Herrmann has said would also fit the perception that I have of the present crisis and a way out of it.

Therefore I would like to try to address a couple of specifics, starting with an assessment of the likely effectiveness of the sanctions on Iraq to accomplish the purpose of its withdrawal from Kuwait, the possibility of avoiding hostilities and what a consequent political resolution of the crisis may look like; and finally, what can be done to address the post-crisis security requirements of the Gulf states and the interests of the United States and the longer term stability of the Gulf.

To start with the embargo, it seems to me that Iraq is uniquely vulnerable to economic sanctions. Ninety-five percent of its foreign exchange earnings come from oil. It was in desperate financial straits before the invasions of Kuwait and certainly has deteriorated since.

Most analysis, including myself, believe that Iraqi foreign exchange reserves were at a minimal level of about one to \$3 billion and that Iraq seized from Kuwait convertible assets on the order of another billion dollars.

This total, if we are in the right ballpark, would be sufficient to finance imports, given the wartime exigencies, on the order of four to six months.

What I think we can anticipate happening as we approach the end of such period is a rolling shutdown of the modern sector of Iraq's economy, with industry, power generation, and transportation being particularly hit.

Therefore, it's my conclusion that, given Iraq's vulnerabilities, economic sanctions are an effective means to force Iraq's eventual withdrawal from Kuwait.

If that is the case, then what might be some of the elements that would have to be taken into account in such a non-hostile resolution of the present crisis? Clearly the Administration is of the view that Iraq's complaints, whatever their merits, cannot be or should not be addressed until after it has withdrawn from Kuwait.

That also is a key element of the U.N. Security Council resolution. Nonetheless, Iraq does have some grievances; and if the resolution of the crisis is to be feasible, they probably need to be addressed in some manner.

They fall broadly into two categories, financial and territorial. Financial claims obviously can only be addressed by Kuwait since the claims are between Iraq and Kuwait. It will be up to the Kuwaitis to decide what ultimately they wish to take as a public position on repayment of the war debt by Iraq and on ownership of the tip of the Rumaila oil field that crosses the boundary from Iraq into Kuwait.

The latter would be a possible subject for resolution within the Organization of Arab Petroleum Exporting Countries, which does have a mediation board attached to it that could be used for this purpose.

There may be other issues that will arise as well. These, I think, have to be dealt with bilaterally in the end between Iraq and Kuwait, and it's to the Kuwaitis to decide to what extent they wish to make concessions.

Territorial issues, of course, could be brought before the World Court if the parties were prepared to do so, although that seems to me to be relatively unlikely; and therefore, again to the extent that Kuwait is disposed to make compromises or concessions, this would need to be done in a bilateral context, but as has already been suggested, after an Iraqi withdrawal from Kuwait.

I would also like to second Mr. Herrmann's view that one of the critical elements is an adequate post-crisis framework for the Gulf. The present challenge to regional security that is posed by Iraq will be carried beyond the present crisis to the extent that Iraq avoids hostilities and retains its military capabilities. There will be an even greater need for a continuing regional security framework; and, of course, it's not only Iraq that has threatened Gulf security in the recent past.

That has occurred as well through Iran both under the Shah and under the Islamic Republic, and it's impossible to say what other candidates there may be for future disruption of the security of the Gulf.

The need for such a security system, therefore, is quite apparent. To be credible and capable, it seems to me, it needs to have two elements to it. One, the core being an intra-Arab security arrangement, the centerpiece of which would have to be, in my view, Saudi Arabia and Egypt as the center of the present Arab deployment to the multi-national force, and as many of the other Arab participants engaged in multi-national force ought to be engaged as well in post crisis arrangements. The linkage then between such an intra-Arab coalition and external powers—with both the interests in the region and the capability to advance and protect them—would be extremely important.

That could be done either bilaterally or perhaps through an arrangement with the Gulf Cooperation Council, which is a ready multilateral mechanism that could be used for that purpose.

I would add one other important element to such a post crisis security structure, and that is a regime to control the materials, technology, and equipment that Iraq has had to obtain internationally in order to construct the kind of non-conventional weaponry which is now threatening Gulf security.

That problem is not unique to Iraq. Iran has similar programs working toward similar capabilities, Other states in the region, including Israel, have them as well.

It seems to me, therefore, inescapable that the problem has to be addressed on a region-wide basis. It seems to me as well, given the changes in East-West relationships, which have made much of the present international cooperation possible, that leadership in this area to establish a strategic materials control regime needs to come from both the United States and from the Soviet Union.

Clearly, the issues that would be involved in such a region-wide regime are difficult and highly sensitive, but I think it's inescapable that unless we are prepared to run the risk of similar disruptions to Gulf security in the future, they must be dealt with.

Thank you, Mr. Chairman.

[The prepared statement of Mr. Placke follows:]

James A. Placke
International Affairs Consultant

Mr. Chairman and Members of the Committee:

I very much appreciate the opportunity to appear before this Committee to offer analysis and comments on elements of the U.S. policy response to the continuing crisis in the Persian Gulf arising from Iraq's August 2, 1990 invasion and occupation of Kuwait. Minimizing background discussion, I will focus my comments on: a) the effectiveness of the United Nations-imposed economic sanctions as a means to induce Iraq's withdrawal from Kuwait, and to achieve restoration of Kuwaiti sovereignty, and b) what ought to be the elements of a strategy to contain Iraq and restore security and stability to the strategically important Gulf region subsequent to such a withdrawal.

The Effectiveness of Economic Sanctions on Iraq

Much attention, I believe misguidedly, has been given to the issue of food imports into Iraq and to the morality of causing starvation among the civilian population as a consequence of an embargo on food deliveries. The United Nation's sanctions have, of course, been modified and interpreted to permit food shipments to Iraq and Kuwait for humanitarian purposes. Moreover, the combination of increased food production in Iraq in response to post-invasion government directives, the stocks on hand in Iraq and Kuwait, the reduction in the resident population because

of the exodus of a large number of foreigners (perhaps as many as one million persons from Iraq and Kuwait combined), and the continued in-flow of food grains (most recently estimated by the Department of Agriculture at a rate of slightly over one million tons per year) and other food-stuffs should insure sufficient supplies -- especially when handled through a centrally directed distribution system -- to last through any foreseeable duration for this crisis, i.e., beyond 1991.

In fact, a limited, temporary inflow of some non-military supplies is probably unavoidable but is less significant than the virtual elimination of Iraq's ability to earn foreign exchange because of the blockage of its oil exports. Assuming no further foreign exchange earnings, Iraq had only a minimal amount of foreign exchange available at the time of the invasion, estimated at \$1-3 billion, and seized up to \$1 billion in convertible assets from Kuwait. While maintaining a war footing and restraining consumption, this amount can be expected to last no longer than four to six months.

It is the modernized--especially the industrial--sector of the Iraqi economy which is highly dependent upon imports of foreign supplies, services and replacement parts. As inventories are exhausted and foreign supplies unavailable, because of a lack of funds, a rolling shut-down of

Iraqi industry, power generation and transportation can be expected. It is this massive economic dislocation which the sanctions are intended to bring about and to which Iraq is uniquely vulnerable. In my view, such widespread dislocation should become apparent -- even to distant observers -- by the second quarter of 1991.

The Iraqi regime is sensitive to such pressures and disruption because its principal claim to accomplishment is the substantial improvement -- both current and prospective -- in living standards and national production which it has brought about over the past, roughly, fifteen years. The regime, insofar as possible, shielded the population from deprivation during the eight-year war with Iran in order to protect this legitimization of its rule. Threatening this legitimacy is an effective means to press Iraq to end its occupation of Kuwait.

Post-Crisis Containment of Iraq

Leaping ahead from today's circumstances to dealing with Iraq after the crisis has ended, it is obvious that whether the crisis is resolved essentially peaceably or through the use of military force will greatly affect the overall situation. If the crisis ends and Iraq withdraws from Kuwait without significant hostilities -- as I believe can occur if present economic and politico-military pres-

asures are maintained for a sufficient time -- much of Iraq's military capability and potential, including its capacity to produce non-conventional weaponry, may be intact. Under a war scenario, this may not be the case. In either eventuality, however, there will be a need to deal with Iraq, the regime which governs it and its potential to threaten regional security in the future.

Certain elements are common to either situation:

-- A peace-keeping (or observer) force is most likely to be needed. Since international condemnation of Iraq's action and upholding the legitimacy of Kuwait has been focused through the United Nations, a U.N. force, probably stationed along the Iraq-Kuwait border, for which there are several models, is the most obvious choice.

-- Particularly if Iraq withdraws without hostilities, there will be a need for a strategic materials control regime to seek to prevent Iraqi access to the equipment and supplies needed to continue to develop and produce weapons of mass destruction. The United States could conduct such a program unilaterally -- modeled on "Operation Staunch" under which the United States sought to prevent, through political suasion, military equipment from reaching Iran during the Iran-Iraq war. Post-war analysis suggests that this program seriously restricted Iran's access to military supplies at that time, but such a unilateral program would not be

sufficiently reliable or effective to deal with a determined and well-financed Iraqi procurement effort targeted on a much smaller volume of trade in critical material.

Therefore, an international effort -- perhaps, but not necessarily, under U.N. auspices -- is likely to be required. The breadth of international cooperation which would be needed is unlikely to be forthcoming unless such a strategic materials control regime can be applied region-wide. This suggests the need to formulate a broader regional strategic weapons reduction and control program -- probably under, or certainly with, U.S. and U.S.S.R. leadership.

-- Senior Administration spokesmen have already suggested the need for a new "security structure" for the longer term once the crisis is resolved. I believe that, if the prospects for stability in the Gulf region are to be enhanced, such a structure will be essential, however the crisis ends, but the need will be more evident the more military capability Iraq is able to retain. Given the sensitivity in the region to any non-Arab, especially non-Muslim, military presence, the centerpiece of such a "security structure" should be an intra-Arab alliance among as many of the Arab participants in the present multinational force as possible. (Conceivably, a significant contribution

would also be made by Pakistan). A residual component of the present multinational force could be retained in the Gulf for the long term as an advance deployment to deter future aggression by serving as a nucleus for a reconstituted multinational force if one is required in the future. An important aspect of such a security structure would be equipment supply, training and exercise links to the non-Arab, especially U.S., elements of the present multinational deployment. Such links could be bi-lateral, or, preferably, multilateral through the Gulf Cooperation Council or some new body established to represent the Arab multinational force.

Some Lessons From Recent History

What is more important than the form of such a "security structure" -- for which this is only the barest suggestion of an outline -- is that it be, and be seen to be, operationally effective. The post-World War II history of the Gulf argues that one or another regional power will seek to establish hegemony unless it is effectively checked. The only reliable check is linkage to an outside power with strategic interests in the region and the capability to protect them.

The same segment of history also teaches that -- for perhaps short-sighted but nonetheless understandable

reasons -- an oil price/supply crisis induces only a short-term decrease in the global growth of oil consumption. Perhaps for environmental or other reasons this pattern of behavior may change -- but I doubt it. Therefore, it is strongly in the interest of both the states of the Arabian Peninsula and the United States to form a security cooperation framework that is politically acceptable and respectful of Gulf traditions, but which is also effective. Without such a framework, there is, I believe, a high probability -- as the world becomes more dependent upon the roughly two-thirds of known world-wide petroleum reserves present in the Gulf region -- that a new aggressor will find this prize too tempting not to take the risk of trying to control it.

Mr. HAMILTON. Thank you, Mr. Placke.

STATEMENT OF SOHRAB SOBHANI, PROFESSOR OF NATIONAL SECURITY STUDIES, GEORGETOWN UNIVERSITY

Mr. SOBHANI. Mr. Chairman, I would like to start by taking a step back and getting a little perspective on where we are going. So I would like to start off by saying that until recently, the dominant foreign policy goals of the United States were defined by the Cold War with the Soviet Union. With the collapse of communism and the gradual emergence of a new Soviet Union, we have to confront a new question: What should the United States do in the post-Cold War world?

The point of departure must be the recognition that in today's international system which is characterized by growing interdependence, the emergence of a global economy, and a substantial diffusion of political and military power to regions where we continue to have vital interests, America can still lead but we can no longer rule.

In other words, although the United States will remain a power distinct from all others, we confront difficult choices in the costs and benefits of our global commitments. As a result, while it is imperative to maintain our force projection capabilities—unilaterally or multilaterally—we must also exercise the power to convince through non-violent means. As Stanley Hoffman has said, "Games of skill must replace tests of will."

What, then, should the United States do to replace tests of will with games of skill? A clear definition of America's long-term foreign policy objectives is a good starting point. I believe that our goals in a post-Cold War period must include a rearrangement of our relations with the new Soviet Union and a determination to remain internationally competitive in the global economy.

Yet I see an equally, if not more, important goal for American in the future. As the leader of the free world during the cold War, America ought to be the vanguard of democratic pluralism now that the Cold War is over. A major goal of American foreign policy ought to be the promotion of freedom and democracy in states long frozen in the political ice-world of rigid authoritarian rule.

The question that I wish to address today is: How do we move from the current crisis to promote, to paraphrase the President, a kinder and gentler Middle East not only for ourselves, but for the people of that troubled region as well.

I break down the next section by identifying and distinguishing between crisis management, conflict resolution and stability building measures.

In order to address the central issue of promoting democratic pluralism in the Middle East, it is important to distinguish between crisis management, conflict resolution, and stability-building measures.

Crisis management refers to Iraq's invasion of Kuwait and U.S. troop deployment to the Persian Gulf in order to contain Saddam Hussein. It specifically addresses itself to the question of whether Iraq's withdrawal from Kuwait will lead to war. If so, what are the

implications for the United States? Or if a diplomatic solution is possible, how do we conduct diplomacy?

Conflict resolution is a post-crisis management attempt to look at some of the deeper cultural, historical, political and economic differences within the region that jeopardize United States security interests.

Resolution of the Arab-Israeli conflict, settlement of the Palestinian question, ending the civil war in Lebanon, and peace between Iran and Iraq fall within this category.

Stability-building measures take into account trends within the region in order to formulate a policy that will protect American interests in the long term. The Administration, for example, advocates a "coalition defense" by strengthening Saudi Arabia and other states with enough American weapons either to deter an attack or to stall one long enough for U.S. and allied forces to arrive.

This stability-building measure assumes that neither we and nor our friends in the region can live with Saddam Hussein in power even if he withdraws his troops from Kuwait.

Where are we today? United States demands the unconditional and total withdrawal of Iraq. Iraq demanded and has got the unconditional and total absorption of Kuwait. Simply put, we are in a no-war-no-peace situation which is essentially a waiting game favoring Saddam Hussein.

Unfortunately, the alternative, forcibly removing Iraq from Kuwait will have serious negative implications for the United States, the least of which is a new campaign of terrorism against American targets abroad.

On the diplomatic front, I believe the United Nations Security Council should request that the Secretary General pursue more vigorously Article 33 of the U.N. Charter.

Once this effort has been exhausted, the United States is in a position to request implementation of Articles 46 and 47 of the U.N. Charter that call for the application of armed force.

This U.N. venue will serve two purposes. First, it more forcefully demonstrates that it is Saddam Hussein against the United Nations and not just the U.S.

Second, it provides the basis for Iraqi expulsion from the U.N., thus taking away the Iraqi regime's legitimacy in the eyes of the world community. For Saddam Hussein, who yearns for legitimacy, this will be a severe blow.

I would argue that we are already in the conflict resolution phase because the crisis has been contained by the U.S. troop deployment to Saudi Arabia. As such, it is during this phase that we need to address the deeper cultural, historical, political and economic differences within the region.

More importantly, both the United States and the U.N. Security Council should address the question of how to decouple Israel's occupation of the West Bank and Gaza from Saddam Hussein's brutal and savage occupation of Kuwait.

It is imperative that the United States approach the Palestinian question in the broader context of promoting democratic pluralism in the region. In other words, Palestinian demands for statehood and Israeli demand for regional acceptance must be addressed

under a new umbrella: advancing freedom, democracy, and justice within the region.

The message to Saddam Hussein and his allies both inside and outside Iraq is that the longer it takes for Iraq to withdraw from Kuwait the longer it will take for the United States to embark on its stated policy of advancing democratic pluralism.

There are two important prerequisites that have to be met before launching this initiative. At the macro level, it is the appointment of what I call a "Democratic Pluralism Ambassador," by President Bush and a subsequent speech by the appointee outlining the goals of the Administration's initiative.

At the micro level, the U.S. Congress, as representatives of the American people, should cosponsor with the European Parliament, the Islamic Development Bank and the Islamic Council of Europe, an internationally televised forum on "A meeting between Islam and the West."

The specific purpose of such a forum is to bring together leading Islamic thinkers of both the Sunni and Shiite persuasion, including advocates of Islamic fundamentalism, and non-Muslim scholars for a five day exchange of views.

I won't go into more detail on this specific plan. I would welcome the questions on that.

I would like to get into the stability building measures very quickly. In terms of creating a stable environment within the region, either through military alliances with Saudi Arabia and other regional allies, i.e., top down, or through a democratic pluralism initiative, i.e., bottom up, two mutually reinforcing questions remain. First, can the United States and our allies in the region live with Saddam Hussein? And second, what role will Iran play?

Solving the Iraqi equation, I believe, will be easier than predicting Iran's future role within the Persian Gulf. As a result of free and fair elections in neighboring Kuwait, genuine progress on the Palestinian front, and the use of liberation technology to reach the suppressed people within Iraq, Saddam Hussein will, like Daniel Ortega, be forced to open the political system to change or be removed from power by force.

There are three factors unique to Iran, that are not shared by any other state in the region, that make it a key country as far as United States political and economic interests are concerned: where it is located, what it produces, and what it says.

Since the fall of Mohammad Reza Shah Pahlavi, our foreign policy establishment has been agonizing over the questions of "who lost Iran" and how do we "win back Iran." We must, instead, ask ourselves this question: How can we live with Iran?

Answering this question has become increasingly difficult since the death of Ayatollah Khomeini and the diffusion of power within Iran.

Our policy has become hostage to the conflicting signals coming out of Iran. We must prevent the Balkanization of our policy toward Iran by defining a clear and long-term Iran policy that takes into consideration the legitimate concerns of the present regime, its opponents, and the people of Iran.

That is the end of my statement.

[The prepared statement of Mr. Sobhani follows:]

SOHRAB C. SOBHANI

INTRODUCTION

Until recently the dominant foreign policy goals of the United States were defined by the Cold War with the Soviet Union. With the collapse of communism and the gradual emergence of a new Soviet Union, we have to confront a new question: what should the United States do in the post-Cold War world?

The point of departure must be the recognition that in today's international system which is characterized by growing interdependence, the emergence of a global economy, and a substantial diffusion of political and military power to regions where we continue to have vital interests, America can still lead but we can no longer rule. In other words, although the United States will remain a power distinct from all others, we confront difficult choices in the costs and benefits of our global commitments. As a result, while it is imperative to maintain our force projection capabilities--unilaterally or multilaterally--we must also exercise the power to convince through non-violent means. As Stanley Hoffman has said: "Games of skill must replace tests of will."

What, then, should the United States do to replace tests of will with games of skill? A clear definition of America's long-term foreign policy objectives is a good starting point. I believe that our goals in a post-Cold War period must include a rearrangement of our relations with the new Soviet Union and a determination to remain internationally competitive in the global

economy. Yet I see an equally, if not more, important goal for America in the future. As the leader of the free world during the Cold War, America ought to be the vanguard of democratic pluralism now that the Cold War is over. A major goal of American foreign policy ought to be the promotion of freedom and democracy in states long frozen in the political ice-world of rigid authoritarian rule.

The question that I wish to address today is: how do we move from the current crisis to promote, to paraphrase the President, a kinder and gentler Middle East not only for ourselves, but for the people of that troubled region as well?

CRISIS MANAGEMENT/CONFLICT RESOLUTION/STABILITY-BUILDING MEASURES

In order to address the central issue of promoting democratic pluralism in the Middle East it is important to distinguish between crisis management, conflict resolution, and stability-building measures. Crisis management refers to Iraq's invasion of Kuwait and U.S. troop deployment to the Persian Gulf in order to contain Saddam Hussein. It specifically addresses itself to the question of whether Iraq's withdrawal from Kuwait will lead to war? If so, what are the implications for the United States? Or if a diplomatic solution is possible, how do we conduct diplomacy?

Conflict resolution is a post-crisis management attempt to look at some of the deeper cultural, historical, political, and

economic differences within the region that jeopardize United States security interests. Resolution of the Arab-Israeli conflict, settlement of the Palestinian question, ending the civil war in Lebanon, and peace between Iran and Iraq fall within this category.

Stability-building measures take into account trends within the region in order to formulate a policy that will protect American interests in the long-term. The administration for example, advocates a "coalition defense" by strengthening Saudi Arabia and other states with enough American weapons either to deter an attack or to stall one long enough for U.S. and allied forces to arrive. This stability-building measure assumes that neither we and nor our friends in the region can live with Saddam Hussein in power even if he withdraws his troops from Kuwait.

CRISIS MANAGEMENT

Where are we today? United States demands the unconditional and total withdrawal of Iraq. Iraq demanded and has got the unconditional and total absorption of Kuwait. Simply put, we are in a no-war-no peace situation which is essentially a waiting game favoring Saddam Hussein. Unfortunately, the alternative, forcibly removing Iraq from Kuwait will have serious negative implications for the United States, the least of which is a new campaign of terrorism against American targets abroad.

On the diplomatic front, I believe the United Nations

Security Council should request that the Secretary General pursue, more vigorously, Article 33 of the U.N. charter. Once this effort has been exhausted, the United States is in a position to request implementation of Articles 46 and 47 of the U.N. charter that call for the application of armed force. This U.N. venue will serve two purposes. First, it more forcefully demonstrates that it is Saddam Hussein against the United Nations. Second, it provides the basis for Iraqi expulsion from the U.N., thus taking away the Iraqi regime's legitimacy in the eyes of the world community. For Saddam Hussein, who yearns for legitimacy, this will be a severe blow.

CONFLICT RESOLUTION

I would argue that we are already in the conflict resolution phase because the crisis has been contained by the U.S. troop deployment to Saudi Arabia. As such, it is during this phase that we need to address the deeper cultural, historical, political and economic differences within the region. More immediately, both the United States and the U.N. Security Council should address the question of how to de-couple Israel's occupation of the West Bank and Gaza from Saddam Hussein's brutal and savage occupation of Kuwait?

It is imperative that the United States approach the Palestinian question in the broader context of promoting democratic pluralism in the region. In other words, Palestinian

demands for statehood and Israeli demand for regional acceptance must be addressed under a new umbrella: advancing freedom, democracy, and justice within region. This new initiative must be conditional upon Iraqi withdrawal from Kuwait, followed by free and fair elections. The message to Saddam Hussein and his allies both inside and outside Iraq is that the longer it takes for Iraq to withdraw from Kuwait the longer it will take for the United States to embark on its stated policy of advancing democratic pluralism.

There are two important prerequisites that have to be met before launching this initiative. At the macro level, it is the appointment of a "Democratic Pluralism Ambassador" by President Bush and a subsequent speech by the appointee outlining the goals of the Administration's initiative. At the micro level, the U.S. Congress, as representative of the American people, should co-sponsor with the European Parliament, the Islamic Development Bank and the Islamic Council of Europe, an internationally televised forum on "A meeting between Islam and the West." The specific purpose of such a forum is to bring together leading Islamic thinkers of both the Sunni and Shiite persuasion, including advocates of Islamic fundamentalism, and non-Muslim scholars for a five day "exchange of views."

The underlying rationale for such moves is that once we are perceived--and perceptions are very important in the Middle

East--as moving away from situational ethics to promoting freedom and justice within the region, a United States/United Nations sponsored attempt to change the political landscape of the region through the rule of law and democratic means will be well-received by a majority of the people and those rulers who wish to remain in power through the ballot box. The first test for free and fair elections may come immediately after Iraqi troops withdraw from Kuwait.

STABILITY-BUILDING MEASURES

In terms of creating a stable environment within the region, either through military alliances with Saudi Arabia and other regional allies--ie., top down--or through a democratic pluralism initiative--ie., bottom up--two mutually reinforcing questions remain. First, can the United States and our allies in the region live with Saddam Hussein? And second, what role will Iran play?

Solving the Iraqi equation, I believe, will be easier than predicting Iran's future role within the Persian Gulf. As a result of free and fair elections in neighboring Kuwait, genuine progress on the Palestian front, and the use of liberation technology to reach the suppressed people within Iraq, Saddam Hussein will, like Daniel Ortega, be forced to open the political system to change or be removed from power by force.

There are three factors unique to Iran, that are not shared by any other state in the region, that make it a key country as

far as United States political and economic interests are concerned: where it is located (strategic link between the emerging Muslim republics within the Soviet Union and the open seas; balancer to Arab hegemony of the Persian Gulf); what it produces (oil, natural gas, and copper); and what it says ("Death to America," "Death to Israel," and "Down with the house of Saud"). Since the fall of Mohammad Reza Shah Pahlavi our foreign policy establishment has been agonizing over the questions of "who lost Iran" and how do we "win back Iran." We must, instead, ask ourselves this question: how can we live with Iran? Answering this question has become increasingly difficult since the death of Ayatollah Khomeini and the diffusion of power within Iran. Our policy has become hostage to the conflicting signals coming out of Iran. We must prevent the Balkanization of our policy toward Iran by defining a clear and long-term Iran-policy that takes into consideration the legitimate concerns of the present regime, its opponents, and the people of Iran.

EFFECTIVENESS OF A U.S. "STAY-THE-COURSE" POLICY

Mr. HAMILTON. Thank you very much for your presentations.

We will begin now with the five-minute rule here. Let me just open with a question that I believe most of us get from our constituents, are we going to go to war?

Mr. Herrmann, you said probably not, if I understood your testimony. You said that the most likely outcome would be a diplomatic stalemate.

Mr. HERRMANN. That is correct.

Mr. HAMILTON. Mr. Placke, do you agree with that?

Mr. PLACKE. I think that can be the consequence, Mr. Chairman, because I believe that the economic sanctions on Iraq, if employed long enough, can be effective in forcing Iraq to withdraw from Kuwait.

Mr. HAMILTON. Mr. Sobhani, do you have an opinion on that?

Mr. SOBHANI. I believe that we are not headed towards a conflict situation, but the initiation of conflict between the United States and Iraq might be one conflict we will be able to avoid, but that there are other conflicts down the line.

Mr. HAMILTON. In other words, you would not anticipate an outbreak of war as a result of the confrontation between U.S. and multi-lateral forces in the Gulf and Iraq?

Mr. SOBHANI. No. I see a more—no, I don't.

Mr. HAMILTON. Now, on the diplomatic side, should we begin to negotiate with Iraq now, or is the position of the Administration correct, as I understand it, which is that Saddam Hussein has to get out of Kuwait and then we will negotiate about some of his grievances.

Is that the correct position?

Mr. PLACKE. I think it is, Mr. Chairman. For one thing, it is in accordance with the U.N. Security Council on the subject.

For another thing, if there are to be concessions and there almost inevitably would be in any diplomatic resolution on the issue, they cannot come from the United States. They are not ours to make. They have to come principally from Kuwait, and it seems to me that this is best arranged under Arab auspices.

Mr. HAMILTON. Do you agree with the general position of the United States here?

Mr. HERRMANN. Generally, yes. I will, however, say that at some point, we will need to at least acquiesce to negotiations. At this point, the timing is now in Saddam's hands. He may have decided already that he will at some point have to step out of this crisis. He can play the crisis out now to expose the Arab monarchies to the largest degrees possible, embarrass Saudi King Fahd and make life difficult for Mubarak, and then move out to the kind of negotiated outcome I suggested earlier.

Mr. HAMILTON. And what point do we make the move that you are talking about?

Mr. HERRMANN. I don't think we do. I think both from what Mr. Placke said and the U.N. charters, there is no place for the U.S. to be the direct intermediary here.

There are Arab and Islamic groups who, I think, will do this whether we want them to or not. I think the proper posture for us—

Mr. HAMILTON. So we approve what they are doing or ignore it?

Mr. HERRMANN. I think we should ignore it at this point.

Mr. HAMILTON. Just let them go?

Mr. HERRMANN. Yes, do nothing.

Mr. HAMILTON. And then out of that, you see some diplomatic solution emerging?

Mr. HERRMANN. Yes.

Mr. HAMILTON. The shape of that you cannot see, of course, at this point?

Mr. HERRMANN. Well, I tried to lay out, I think, that I can see how the process can evolve to where the Kuwait issue is solved, yes; but I cannot say precisely which of these mediations or when.

Clearly, Saddam does not need to retreat now. It's my judgment at some point in the future, he will.

SADDAM HUSSEIN'S MOTIVES FOR INVADING KUWAIT AND BEYOND

Mr. HAMILTON. All of us would agree, I think, that no matter what grievances Saddam Hussein had prior to the invasion, they did not justify aggression. So let's put that aside.

But let me ask you, how about those grievances with regard to the oil wells and the borders and the prices of oil and the Kuwaiti pumping more oil than they agreed to under OPEC and so forth?

In a general way, how would you evaluate Saddam Hussein's grievances in those areas? Does he have some real complaints here that are valid, or are they all trumped up?

Mr. PLACKE. I think for the most part, Mr. Chairman, I would have to take the trumped-up option. That isn't to say that there isn't some basis for them. The border between Iraq and Kuwait has been undefined, mainly because the Iraqis have refused to agree to a definition of it on the ground.

Iraq has asserted that the islands of Warba and Bubiyan are so strategically important to its future access to its one remaining port facility that they must come under its control.

These are assertions of Iraqi positions. Kuwait—

Mr. HAMILTON. Is it correct that the claim to those islands has no legitimacy?

Mr. PLACKE. The claim, as I understand it, goes back to the Ottoman period when the Iraqi assertion of its position, or the legality of its position, is that the Ottoman governor of Basra Province, whose territory also incorporated most of what is now Kuwait, including of course those two islands.

That view, however, is not only Saddam Hussein's view. It's very widely held and very deeply believed in Iraq; and it's an issue therefore, whatever its merits, that simply cannot be brushed aside.

I think there does need to be a definitive agreement on a border between the two countries. That issue has been an irritant for a long time.

Mr. HAMILTON. Is that a World Court issue?

Mr. PLACKE. It could be, yes, sir.

Mr. HERRMANN. I don't think his grievances are genuine. I don't think they are what moved him into this case. I think he has had a 10 or 15 year strategy of achieving, first, Gulf hegemony, control over the resources that the Gulf produces, and then through that Arab hegemony, and, then later, on moving himself into the position of leader of an Arab power that becomes the largest power in the Middle East.

Mr. HAMILTON. When he invaded Kuwait, do you think he was also planning to invade Saudi Arabia?

Mr. HERRMANN. I don't think anyone can know that. I think that, however, the real issue turned on whether or not the Saudi Arabians would be comfortable in stopping the pipelines and complying with U.N. 660. If the Saudis did comply with U.N. 660 would he then invade them? And so I would take a who knows whether he was intending to come on down to Saudi Arabia or not.

The issue in terms of our deployment of force, it seemed to me, turned to a second question, which was regardless of his initial intentions, how would he behave when Saudi Arabia complied with U.N. 660 and what reassurances would the Saudis need in order to comply and close those pipelines down, and I don't think anyone can tell anyone whether or not he would have or wouldn't have in that situation.

Mr. HAMILTON. Mr. Sobhani, do you have any comment on my general line of questioning regarding Saddam Hussein?

Mr. SOBHANI. I would argue that an invasion of Kuwait was the price of the war for Saddam Hussein. Almost eight years of war, he was not able to deliver Iran. He had promised. He had failed. He had to come up with something, and that something was Kuwait.

With regards to the accusations of, or the claims to Kuwait, there may indeed be some elements of truth to what Saddam Hussein is saying, and I go back to the days when Saddam Hussein was calling upon the Iranians to stop their rhetoric in 1980, the charges were that the Iranian revolutionary government in power was trying to destabilize the Ba'athist regime in Baghdad, and therefore he used that as a pretext to invade Iran and he invaded Iran.

That is one point. The other point is, however, that as I mentioned earlier, I think that Kuwait became the victim of the Iran/Iraq war ultimately, and that is my point.

Mr. HAMILTON. Mr. Gilman?

ASSESSING U.S. SANCTIONS POLICY AND IRANIAN COMPLIANCE WITH
U.N. SECURITY COUNCIL RESOLUTIONS TOWARD IRAQ

Mr. GILMAN. Thank you, Mr. Chairman.

I want to welcome the panelists before us. I would like to ask the entire panel several questions and welcome any response from any of the panelists.

Can you tell us how you evaluate the effectiveness of the sanctions against Iraq? And how long do you think it will take before the sanctions will take effect?

Mr. PLACKE. Well, to suspend judgment on the latter part of the question for the moment, I think Iraq is a unique case. It is so highly dependent upon oil exports for foreign exchange earnings and at the same time so highly dependent on external sources of

raw materials, technical support, and spare parts that it is highly vulnerable to these kinds of pressures. Therefore, I believe that economic sanctions can be effective.

And I would be much less concerned about what may trickle into Iraq, and inevitably some things will get in, than what comes out of Iraq, so long as the oil exports are cut off, foreign exchange is cut off, foreign exchange will dry up and the imports will dry up, the modern sector of the economy will progressively shut down, and that really I think has to be the objective, and I believe that that is attainable, and we should begin to see visible effects along those lines sometime in the second quarter of next year.

Mr. GILMAN. Does any other panelist have something to say?

Mr. HERRMANN. I agree with that basically.

Mr. SOBHANI. I don't agree with that. I don't think the sanctions are going to work. And the reason why I say this is a gut feeling. Iraq had a war with Iran for eight years. Under tremendous and trying circumstances, they were able to prevail, not necessarily arguing that they won, but they prevailed, and I don't believe that the sanctions as they are today are going to necessarily be the Achilles heel of Saddam Hussein. He is a far more ingenious person than we are giving him credit for.

That was one point. On the issue of the invasion, Saddam Hussein sent a letter on April 22nd to Rafsanjani, and in that letter he basically states the Iraqi position in terms of a peace agreement with Iraq, and in the letter he makes reference to the regional troublemakers, and the need for Iran and Iraq to settle the regional disputes between them, and that he invites, Rafsanjani, this is April 22nd, a peace agreement.

And this is prior to, you know, as I say, the thought that comes to mind is that maybe he was all along contemplating an invasion of Kuwait, and this letter, an exchange between Saddam Hussein and Rafsanjani, clearly indicates that Hussein had a plan of invasion.

Mr. GILMAN. I think we have received other reports too that this invasion had been planned for a considerable length of time. Are there some countries in the Middle East which are not abiding by the sanctions?

Mr. PLACKE. I think there is some degree of trade between Jordan and Iraq. Iraqi oil continues to be supplied to the Jordanian refinery at Zarqa. I don't have direct knowledge, but my assumption is that there is at least some element of barter, as well as with Iran. Iraq has a surplus of some refined petroleum products, which Iran continues to import, and there is the makings of the barter arrangement there.

There is some evidence that there is barge traffic at the upper end of the Gulf between Iran and Iraq.

If I could add one more thing, Mr. Gilman, about sanctions and why I think they are more likely than not to be effective in this case, it is important to appreciate that one of the principal claims to legitimacy of the Ba'athi regime in Baghdad is that it has promoted the welfare of Iraq and of Iraqis, and indeed there is a reasonably good record of that over the last 15 years.

That is what the sanctions are jeopardizing. They really strike at the heart of legitimacy of the rule of the Ba'athi regime, and therefore the regime is very sensitive to it.

Mr. GILMAN. Mr. Herrmann, did you want to comment?

Mr. HERRMANN. Yes. I think two things. There are probably some goods coming through Jordan as suggested; maybe others will come through Iran. I don't think they will be in sufficient quantity to make up for the loss. Barring a major defection from the sanctions by Iran or Syria, I think the sanctions over time will take their toll.

I think some sense of what they can do is to look at Iran's economy today. It has been shut off from international funds for a long time, and Iran's economy has been shut down. We have had a policy of staunch with regard to Iran and we have some experience, and it takes time.

I also disagree with Mr. Sobhani and agree with Mr. Placke. During the war with Iran, Hussein was able to maintain domestic support largely by maintaining both guns and butter at the same time, and now that his development programs will be shut down, I think he will have a much more difficult time at home.

Mr. GILMAN. Mr. Chairman, with your permission, just one more question.

What do you see as Iran's policy toward Iraq today? Are they in compliance with the Council's resolution, or are they trying to work around that?

Mr. HERRMANN. No. I think Iran has publicly announced at least, that it intends to comply with U.N. resolutions and demand the Iraqi withdrawal from Kuwait.

I think, on the other hand, Iran is in a fairly comfortable position. The U.S. occupies Saddam Hussein now, so the security threat from Iraq has now been dealt with. Iran can stand on the sideline and condemn us for being the imperialists, and position itself as a regional radical without worrying as much about a potential Iraqi threat. I think the Iranian press, on the other hand, has made it quite clear that Iran's leadership also sees the U.S. presence in the Gulf as a threat as well and would join with Iraq in calling for withdrawal.

Mr. GILMAN. Do you expect Iran to be very helpful to Iraq in all of this?

Mr. PLACKE. I think whatever trade is going on, and I believe there is some going on, is marginal and is not going to undercut the ultimate effectiveness of the embargo. I think to some minor extent Iran is having it both ways; while maintaining a public position of support for the embargo and condemnation of Iraq, there is a low level of trade going on.

Mr. SOBHANI. I would believe the answer to that question depends on how the politics inside Iran develops. The situation between—the contentious relations between the various factions will determine the question of whether Iran will abide by the sanctions. Mr. Velayati, the minister, has stated on record that he will not, at least his foreign ministry will do the best to prevent Iran from striking deals with Iraq.

But Mr. Velayati might say one thing, and Mr. Hammadi, Mr. Saadoun Hammadi might decide another. So it really depends on who controls the levers in Tehran.

Mr. GILMAN. Thank you very much.

Mr. HAMILTON. Mr. Levine?

ASSESSING POST-CRISIS ISSUES: COLLECTIVE SECURITY AND ISRAEL'S ROLE

Mr. LEVINE. Thank you, Mr. Chairman.

Both Mr. Herrmann and Mr. Placke referred to the post-crisis security framework, the collective security concept that Secretary Baker has been generally outlining. I was interested in the thoughts that each of you and Mr. Sobhani would have on this subject. Mr. Placke was more detailed, mentioning that the core of this security framework would be Arab, with Saudi Arabia and Egypt playing a central role. This does make sense, I believe.

I am interested in your assessments of Israel's role in this post-crisis collective security mechanism.

Mr. PLACKE. Well, I don't see a direct involvement or a direct connection between the issue concerning that mechanism, which is Gulf-centered, and Israel, which is Arab-centered. The bilateral relationship between Israel and the United States obviously continues, and is not affected. I think it is important—

Mr. LEVINE. How would the bilateral relationship not be affected if you are talking about a massive U.S.-Arab collective security mechanism where Israel plays no direct role?

Mr. PLACKE. As I was going to say, I think it is important, as we move to address a Gulf-centered regional security arrangement, to continue to maintain the undertakings and commitments that have existed between Israel and the United States historically. I mean, that relationship has to be maintained while the other is being developed.

Mr. LEVINE. Do the other gentlemen have some thoughts on this issue?

Mr. HERRMANN. My own preference would be for the regional system to have an increasingly less American dimension and an increasingly multinational dimension so that the Gulf arrangement itself would be essentially a U.N. function, under which we would play a role, but so would other parties. We would reduce some of our military commitment there in the hopes that other players would play some role, and that it would impose very strict arms control limitations.

I think I mentioned that confidence-building measures don't need to be naive. We can propose anything, it seems to me, very real reductions, and strict limits on deployments make more sense than further increases in arms. If this developed it would take less force and take a different kind of force, to protect Gulf security one that would be less American.

Mr. SOBHANI. I don't believe that an investment in Saudi Arabian arms buildup is going to pay off. The major lesson of the Shah's fall was that any system that does not open up politically, and by this I mean create dialogue within the system, is bound to fall, whether it is today, tomorrow, or ten years down the road. That is the major lesson.

And I don't believe that we should be sending Saudi Arabia arms at the levels that we are suggesting. I think maybe what we should be suggesting is to open up their political system to allow for dialogue. Because at the end, it is the legitimacy of the Saudi government that we should be interested in, and that is going to provide the solidity, not arms.

Mr. LEVINE. How stable of an arrangement can we anticipate when we are dealing with a very narrowly based monarchy that has done virtually nothing to open up its system? Mr. Placke, your view seemed to mirror those of the State Department, which has a much more, if you would call it, Arabist tilt. This view looks at the Saudi regime through more rose-colored glasses than Mr. Sobhani's views, which frankly struck me as more realistic.

Are you more in the State Department camp of putting our eggs in the Saudi basket, despite the narrowly based monarchy?

Mr. PLACKE. Mr. Levine, I guess I can only say that habits of 27 years are hard to break.

Mr. SMITH of Florida. We knew you looked familiar.

Mr. PLACKE. More seriously, there is the point that Mr. Herrmann made that a regional security arrangement doesn't automatically imply ever-escalating amounts of armaments. I think we should work in the opposite direction, a deescalation, but region wide.

As far as the stability of the Saudi regime is concerned, the forces that have been unleashed by the opening of the Peninsula to such a large foreign presence, I think are already manifested in the meeting that the Kuwaitis held in Jiddah last week in which movement in the direction of democracy was openly discussed.

The Saudis are moving clearly at a different pace. But democratization of the Saudi military forces is already under way, getting away from the old tribally-based system.

Mr. LEVINE. Why are we so reluctant, as you seem to be in your analysis of the security mechanism, to insist to our partners in collective security beyond the Egyptians that a component part of this mechanism would be a recognition of Israel's right to exist and a normalization of relations with Israel? Considering what a cornerstone of American foreign policy that has been for 42 years, why are we so shy about expressing that to these participants in a major collective security mechanism that we are contemplating in the region?

Mr. PLACKE. I think this goes back to a view that indeed I have held for a long time, and that is that the U.S. needs to work within a framework that addresses the issues at hand. Clearly, U.S. interests in the region are U.S. interests and are not necessarily coincident or identical with those of any other state in the region, whether it is Saudi Arabia, Egypt, or Israel.

I think you have to deal with those interests as best you can. It is a long-term objective of the American policy, as I understand it, to bring about the open recognition of Israel's presence and right to exist, and the necessity to establish normal relationships among all the states of the region. But that can't be done overnight. I think the Gulf crisis needs to be dealt with on its own merits.

Mr. HERRMANN. I just wanted to add briefly that I think the answer to your question is a simple one. If we forced the Israeli

issue into this, we would worry that those governments, as you described narrowly based, will fall, including Mr. Mubarak's. The dilemma is that empowerment, democracy if we want to call it that, I don't think it will be liberal democracy, is unlikely to result in regimes that have come to power in two Arab countries in the last year, Jordan and Algeria, defeating the left in Algeria and the right in Jordan. In both, the movements had an Islamic fundamentalist tone.

I think implicit in your assumption is a notion that if the Saudi's regime fell, we would get something more amenable to American policy, I think to the contrary we would get a more Islamic and Arab nationalist government that was more hostile to Israel and American foreign policy.

Mr. LEVINE. I agree with you. Mr. Sobhani?

Mr. SOBHANI. The flourishing of democracy in Algeria, Jordan, if it is of an Islamic fundamentalist nature, is because for so long the systems were repressive and had suppressed these feelings.

My argument is that Israel can live in a region where there are regimes that are able to vote their sentiment, not through the barrel of a gun, but on the ballot box, and that if at the end of the day, if a Saudi can vote whether he or she wishes to have relations with Israel, that is the way it is supposed to be. That is the policy we should be pursuing.

The best example is Turkey. Turkey is a Moslem country yet recognizes Israel. It is a democracy. And at one point in Turkey's history, there were Islamic fundamentalists. The first year of elections they had 14 percent turnout in favor of the fundamentalists. Over the years it has gone down and hovers around 8 percent today.

Mr. LEVINE. Mr. Chairman, if I could just follow up Mr. Placke's one comment where he talked about injecting Israel into this mix and what it may do. How does that analysis explain Secretary Baker's message to Shamir, where he indicated two days ago that some will unfairly compare him with Saddam Hussein. How will this message play in the region and in the context of this entire crisis?

Mr. PLACKE. I am certainly not trying to duck the question, Mr. Levine, but I am not familiar with that statement.

Mr. LEVINE. Are any of you?

Mr. SOBHANI. Yes. I believe that there is a danger in trying to demonize, whether it is Shamir, the prime minister, or whether even if it is Saddam Hussein. Any demonization by the United States of any foreign leader is not good diplomacy.

Mr. LEVINE. Thank you, gentlemen.

Mr. HAMILTON. Mr. Smith?

U.S. ROLE IN THE REGION, FORGIVING EGYPTIAN DEBT IMPLICATIONS OF A REGIONAL COLLECTIVE SECURITY FRAMEWORK

Mr. SMITH of Florida. Thank you, Mr. Chairman.

Mr. Herrmann, I was fascinated by your comments with reference to the new foreign policy initiative of the State Department with reference to Egypt. You perceive that the policy of forgiving the Egyptian debt will be viewed as basically a buyoff, or a payoff,

and that wouldn't stand him in good stead in the region, and that we should go further than that.

And I am curious what you think the United States has to do in order to prove it is bona fide and at the same time be able to strengthen its so-called coalition partners. Of course, we have had a relationship with Egypt far exceeding those of other countries in the region. What is it about the relationship with Egypt that would cause us to have to do other things to commit ourselves to be able to raise our standing somehow?

How many times do we have to prove ourselves in that region like we have done with Saudi Arabia over and over and over again? How many times do we have to do something to make them believe we are their friends?

Mr. HERRMANN. I think in the late 1970s, Anwar Sadat took an enormous risk, and the calculation was this. Using force against Israel and the United States would fail. The only way to get peace would be to make compromises with the United States in the hopes that you could reassure enough Israelis that risking peace was safe and convincing enough Americans to encourage Israel to move in that direction.

It has been 15 years since then. We never got to the second stage of the Camp David Accords. In most Arab eyes that is 13 years of unilateral American mediation that has been unfair in their judgment, un-evenhanded, and has not, more importantly, produced any payoff on the Palestinian question.

In 1988, they persuaded Arafat to risk his career on this same strategy that I will call mutual reassurance to try to persuade the center of the Israeli policy that it is safe to deal with the Palestinians as opposed to arm yourselves to the teeth and force through coercive means the United States and Israel to shift its policy.

Saddam represents the old school, make the Americans pay a price, and Mubarak is of the other view. Unfortunately, at the beginning of the year, 1990, with the failure of the Baker Plan to get us to Cairo, the Arafat position was entirely discredited among Palestinians, and Saddam came on the scene like Genghis Khan pursuing a Gulf agenda.

But right now in the Arab world the Mubarak approach that this is what is seen as compromise through diplomacy is simply not credible.

Mr. SMITH of Florida. But then you are arguing against the position—how do we do that without further weakening him? I mean, if we continue to play the Mubarak card, you are telling me the man in the Arab street doesn't buy it now?

Mr. HERRMANN. The Mubarak card, as I understand it, is to make headway on the issues, which in this case is the Palestinian issue. The Egyptian economy is terribly important obviously, but that is not enough if it looks as if he is being bought off and ignoring other Arab issues that relate to the West Bank, Gaza and the long-term settlement of Palestinian grievances, that is my point. Nothing we can do to subsidize the Egyptian economy, if it looks as if Egypt is selling out their brothers, is going to help Mubarak.

Mr. SMITH of Florida. Well, forget the monetary impact, financial capability. Is it a real help for us to forgive Egypt's debt in any event?

Mr. HERRMANN. Yes, because even that alone suggests that there are payoffs for dealing with the United States. There are advantages of dealing with the United States. And those come in monetary terms.

Mr. SMITH of Florida. Oh, so the payoffs are okay for certain purposes but not okay for other purposes. This is a very interesting phenomenon, and the United States has to pursue a policy that is somehow on the one hand calculated to indicate to people, if you do business with us and there is a payoff, it is good for you. On the other hand, they have to worry about how the payoff reaction is going to ring with other people in the region.

I mean, isn't there a policy that we could pursue that somehow would be more broad-based appealing than that?

Mr. HERRMANN. Sure. As I tried to lay out—

Mr. SMITH of Florida. We are pursuing a payment/payoff policy, we are paying off the Saudi Arabians by sending them \$50- or \$60 billion worth of arms in the last few years that frankly I also agreed with Mr. Sobhani, I don't know that the arming of that region has done anything for us.

By the same token, we are pursuing a payoff of Egypt. That hasn't worked. We haven't gotten any closer. Where have all these payoffs got us?

Mr. HERRMANN. I think that we can pursue a policy that makes headway, and actually it is a partial answer to Mr. Levine's question, I think Mr. Baker's statement plays fairly well in the Arab world.

Mr. SMITH of Florida. You mean his beating up on Israel.

Mr. HERRMANN. What is at stake here is principles, about occupation, foreign aggression, I think there is a lot of doubt about whether the United States wants to apply those same principles, opposition to occupation, so on and so forth, across the board.

In light of what has happened in the last ten days I think Mr. Baker is attempting to show that the United States is concerned about principles, and intends to apply principles in a fair-handed way. That is all I would see that as.

Mr. SMITH of Florida. Mr. Placke, you talked a little bit about the possibility that the sanctions will work to a large degree, they will be bleeding obviously, but for the most part it should work.

First of all, we are contemplating a sale to Brazil of supercomputers where Brazil has a ten-year or more long fascination and working arrangement with Saddam Hussein. Do you think we ought to be selling that kind of software technology now? A tiny sale may be \$4- or \$500,000. Do you think we ought to be selling that kind of stuff to Brazil when we know there is a direct open pipeline on the creation and research for new—and development of new weapons to countries that have been in fact working with Saddam Hussein?

And the second thing is very simply, given the fact that Jordan, Syria, Turkey, and Iran surround Iraq, and there has been smuggling going on for 4- or 500 years, it is a flourishing trade, and that smugglers will smuggle anything that makes money. In this case, it is going to be spare parts and food. And those trade routes have been established for literally hundreds of years, do you really believe sanctions are going to work?

Mr. PLACKE. Let me take your last question first, Mr. Smith, if I may. I think smugglers generally expect to be paid, and I think that is really the issue. As long as we can prevent, and I think it has been demonstrated that we are preventing, through the use of the multinational force, Iraqi oil exports, their revenue is cut off.

When the revenue dries up, even the smugglers are going to lose interest, and I certainly admit that this sort of thing goes on. It isn't going to, fundamentally in my view, affect the effectiveness of the embargo, and if the embargo is sustained long enough, I believe it is going to progressively shut down the Iraq economy, which is not politically tolerable by the Saddam Hussein regime.

The question—

Mr. SMITH of Florida. What would you consider long enough?

Mr. PLACKE. My ballpark estimate is second quarter of next year.

Mr. SMITH of Florida. Can we sustain ourselves that long being in the region?

Mr. PLACKE. That is certainly a relevant question. At the moment it doesn't appear to me that that is an impossibility. But keeping an international consensus together on this question is a difficult thing. Clearly the continued travels internationally of senior administration officials, Secretary Cheney, Secretary Baker, and others, is part of this enterprise. So far it seems to me it has worked pretty well.

Mr. SMITH of Florida. If I just might, Mr. Chairman. Mr. Sobhani, these regional coalitions which people are anticipating post-war, somehow—or post-resolution, let's call it that, since all three of you think we can avoid war. Post-resolution we are talking about some kind of regional security arrangement, I like to call it GASO, the Gulf Arab State Organization, it seems to fit nicely in that region for a number of reasons, not least of which is the oil wells.

Can we sustain such a unified kind of regional security cooperation based even loosely on a NATO model when the national aspirations and the background of some of the component countries in that security arrangement would be so different than they are in Western Europe. Everybody admits for hundreds of years you have had alliances based on shifting sands. Could you see a possibility of an alliance like that, even with a minimal U.S. involvement, being able to sustain itself for any period of time?

Mr. SOBHANI. No, for two reasons.

One is precisely what you mentioned, the shifting alliances. Saddam Hussein signed an agreement with the Shah of Iran in 1975. Then he invaded Iran. Alliances are very fickle and don't work in that part of the world. Self-interest is what works.

However, there are deeper economic, cultural, and structural factors that we need to be addressing. I believe that the billions that we are spending each month to sustain our forces in the region could be sued to address those very specific structural, economic problems that exist in these countries, and that is why I emphasized in my statement the need to emphasize to these closed societies that you are not going to get American help unless you open up. And that is what we should be doing.

Mr. SMITH of Florida. If they opened up and if they became some kind of regional security arrangement, do you think it would be

possible to keep them from ultimately being turned as a weapon against Israel in a unified fashion?

Mr. SOBHANI. I believe that the fears of Israel would be greatly diminished if you had a government in Iran, in Syria, in Saudi Arabia, that truly was of a popular nature.

In other words, if they were regimes that were decided by free and fair elections.

Mr. SMITH of Florida. Well, let's pre-suppose that we don't really get those kinds of big changes. Let's talk about a regional security agreement with the existing kinds of governments. What do you think the chances are that Israel would receive that in A, a positive fashion, and B, it wouldn't ultimately be used as an instrument of ultimate military attack against Israel?

Mr. SOBHANI. Well, I think if the Palestinian issue is not settled, that might very well be the case, in that any regional security arrangements, whatever one wants to call it, might very well turn against Israel, should the Palestinian question still be out there. And that is the point. Unless the Palestinian issue is settled, I don't believe any security arrangement is going to not only help Israel, but it is going to be the detriment to Israel.

Mr. HAMILTON. Mr. Torricelli.

ASSESSING U.S. SANCTIONS POLICY AND IMPLICATIONS OF U.S. USE OF
FORCE AGAINST IRAQ

Mr. TORRICELLI. Thank you, Mr. Chairman.

I wonder if any or all of you could describe for me the economic circumstances, and the political pressures, that were brought to bear by early to late 1991 as compared with the debts of the Iran-Iraq war? In other words, compare the amount of political discontent caused by economic dislocations in that war with what is likely to be experienced. Will it go beyond what has previously been sustained?

Recognizing the economic circumstances are very different, I understand that. Nevertheless, what do you feel is the ability of the Iraqi population to sustain hardship?

Mr. PLACKE. If I may initiate an answer on that. I think there are a couple of very important lessons to be drawn out of the Iran-Iraq experience that may have an application here. The Iraqi public certainly did endure a good bit of deprivation and sacrifice in the course of the eight-year war with Iran. But they were fighting for their own territory. They weren't fighting to retain territory that they had occupied and attempted to incorporate into their country. I think there is a fundamental trigger point that is crossed when another state encroaches on your territory.

Mr. TORRICELLI. So there is a different threshold of pain that they are able to sustain?

Mr. PLACKE. Well, I think very importantly, the regime throughout the eight years, that is the Iraqi regime, attempted and succeeded to the maximum of its capabilities to shield its population from the economic effects of the war. It did it in the first instance by exhausting its own foreign exchange reserves, which were over \$3 billion at the outset of the war, and later on by obtaining as

much finance as possible from Saudi Arabia, Kuwait, and the others. It was reasonably successful.

The reason that is so important, and I think the regime in Baghdad was so sensitive to this, is that economic well-being and improving the economy, improving the lot of individual Iraqis is the regime's main claim to legitimacy, and a lot of other unattractive aspects of the regime have been tolerated by the population because of economic progress.

Mr. TORRICELLI. I understand that. Let's get to the heart of the question, though.

By mid-1991, will the quality of life of working families, the upper middle class, the military rank and file, the military leadership, be compromised to an extent below which they have previously experienced, or is this something that has been tested, tried and previously succeeded?

Mr. PLACKE. My best estimate is that circumstances can be expected to get substantially worse.

Mr. TORRICELLI. Substantially worse than they were in 1987, 1988?

Mr. PLACKE. And isn't, however, just the public. I don't think that one can anticipate a public uprising or rejection of present Iraqi policy is going to influence Saddam Hussein very heavily. I think what is likely to be influential there is the view of those around him. When they begin to see that there is a danger of their position being pulled down with him along with this ill-fated policy, I think that is when you begin to get political change.

Mr. HERRMANN. My own view is that mid-1991 may not be yet, but certainly if the sanctions hold, both the pain and risks will be greater than anything Iraq faced during the war.

Mr. TORRICELLI. Which hits first? Is it going to be a problem for quality of life in the military, or for the rural, or urban populations?

Mr. HERRMANN. First in downtown Baghdad, downtown Mosul, and downtown Basra.

Mr. TORRICELLI. So upper classes, professional classes, and government workers will feel this first in their quality of life?

Mr. HERRMANN. Yes. As generator power breaks down, they can't generate, they can't get spare parts, so on and so forth. They were never isolated during the war with Iran. They had open access. I mean, the Arabs, for example, Kuwait and Saudi Arabia were bankrolling them. They had the import of Japanese building and technology. Downtown Baghdad grew during the war, largely due to Japanese and other foreign building.

Mr. TORRICELLI. But there were devastations nonetheless. There were hardships.

Mr. HERRMANN. But I think there will be more severe economic hardships now than there were then, and also the risks are much higher. I mean, the Iraqi military and the Iraqi technical class now see that the military forces around them can destroy everything they have built in the last twenty years.

Mr. TORRICELLI. Regarding this notion that somehow by engaging in air action against military targets in Iraq, policy can be changed: I understand there is absolutely no experience or founda-

tion for any of the judgments I am asking you to make. Nevertheless, I am going to ask you to express views.

Assume that the United States operates with rules that do not engage civilian targets or inflict heavy casualties, but targets concentrated assets. Is there any reason to believe that the armed forces leadership at any level, if they saw they were in fact losing the military infrastructure, all principal sites, would have a sufficient degree of concern for those investments, or for their own positions in the military to alter policy?

Mr. HERRMANN. It's very hard to know. Those of us who were there as scholars, know there is opposition but none of us know its dimension. This is a police state. Most of the opponents of Saddam have been killed or are in exile.

President Hussein seems to eliminate military officers on a fairly regular basis. I assume he has a sense that there might be potential coups afoot. That is certainly the inference Western analysts seem to draw, but it's only on that basis.

Mr. TORRICELLI. I am talking about a scenario where there are two roads to destruction. Even the Wehrmacht acted against Hitler. Twin roads of following Saddam Hussein for the military loosing everything they have invested in and purchased are beginning to doubt and move away from this policy, which is as you are suggesting.

Mr. HERRMANN. There is a logic for it. Whether or not any of them would have the ability or courage to do it, I mean, who knows? Certainly the logic should compel somebody.

Mr. SOBHANI. I think that we have to take into consideration one factor, though. If Saddam Hussein by 1991 does feel the pinch, then there might very well be the possibility that he would engage us in a conflict. And he might engage us by an invasion of Jordan, and thus triggering the Israelis to get into the conflict.

So I think there is a point where sanctions—

Mr. TORRICELLI. Not go with our scenario and not wait for the time to run out.

Mr. SOBHANI. Exactly.

Mr. TORRICELLI. Let me ask about a scenario for war in the region.

If the United States or a combination of Western nations are forced to act militarily without Arab participation, is it your judgment that this must be a short conflict so as not to give time for Arab Nationalist sentiments to rise and become a factor? Or is it your assumption that, in a variety of nations on both sides of the conflict, Arab nationalism becomes a factor in the conflict in a relatively short period of time, if it's a Western versus an Iraq conflict?

Mr. SOBHANI. Well, I would suggest that the lesson of Lebanon is clear to us, and the lesson of Grenada comes to mind and the lesson of bombing of Libya.

When the United States has struck, struck fast and come out, we have been successful. And we have caused minimal ripple effects throughout the region.

The case of Libya comes to mind. However, when we have gone in, stayed, and dug in, as in the case of Lebanon, we have created a monster for ourselves.

So the question is, if indeed it comes to a military strike, it had better be quick and swift or else it will be very, very disastrous to us.

Mr. TORRICELLI. To indeed win Saudi Arabia itself, we are going to begin seeing problems behind our own lines.

Mr. HERRMANN. I am not persuaded by the Grenada or the Panama analogs. This is an urban country. By "vast," I presume you also mean massive. I don't know what else would persuade people quickly enough that they are about to face some terrible thing.

I think collateral damage, if it's very high, because vast also meant very big, is going to have a very negative impact on the Arab world, even if it happens within 48 hours.

There is clearly a tradeoff between how much intimidation value will buy and how much alienation factor that we are going to have to pay.

That is a decision I don't have to make. But there is a real cost here.

Mr. TORRICELLI. This scenario has a number of internal contradictions in that the strike must be of an enormous scale—

Mr. HERRMANN. I said if it is.

Mr. TORRICELLI. It must be of enormous scale, so as to attempt to achieve its objectives in a short period of time, because of a variety of political problems. But because of the scale and speed of the operation, is more likely to have collateral damage, which also will invite political problems.

Mr. HERRMANN. That is my comment, yes.

Mr. PLACKE. Beyond that, it seems to me that it really isn't possible either from the military or a political standpoint, to do this without direct Arab involvement. U.S. forces or Western forces have to start from somewhere, and where they start from essentially is Saudi territory.

The imagery of Americans or Westerners attacking other Arabs, even if they are Iraqi Arabs who have invaded and occupied Kuwait, is going to give credibility to the image that Saddam Hussein sought to paint of the United States and the West being the imperialist intervenor rather than Iraq being the provocator.

It doesn't seem to me that that is a tenable political position to get into; and given the realities on the ground, I don't see how such an assault could be mounted without Arab cooperation.

Mr. TORRICELLI. Well, it's one thing to cooperate. It's another to have your own forces participate.

I am assuming that cooperation isn't enough for an American president to feel it's safe to have our forces advance.

There has to be a mutual assault.

Mr. PLACKE. I think that is correct.

Mr. TORRICELLI. Finally, how would you rank the unintended consequences? It's my own guess that the unintended consequences of this entire policy will be judged by history as having the greatest significance, of the destabilization of Saudi Arabia, the changed policy of Jordan, the change in leadership in the Arab world—if we were gathering several years after the end of the Kuwait crisis, which of these unintended consequences would be most likely in your judgment that run counter to American interests?

Mr. PLACKE. Well, if we have to resort to force ultimately to carry out the purpose of getting Iraq out of Kuwait—

Mr. TORRICELLI. That is assumed in my question.

Mr. PLACKE. Then I think there is going to be a long-term political cost. How that cost is dealt with, it can be either increased or minimized. Perhaps the most effective way of attempting to preempt the Arab nationalist response, which is going to be extremely hostile and long lasting, in my view, is to address some of the other grievances in the region as has been suggested.

And that is, deal with the overall security problems of the region, including the Arab-Israel issue.

Mr. TORRICELLI. I am asking because it appears to be one of the most unfortunate, but increasingly likely scenarios, that the United States will make this massive investment to protect our friends in Saudi Arabia, only to find that after having paid a tremendous price, Jordan comes in the grips of a radical regime, Saudi Arabia is destabilized, and 20 years of making investments in a bilateral relationship with Egypt are lost. We will have liberated Kuwait but at a price that counters decades of American effort, in the region, and at the cost of some semi-permanent bad will.

Mr. HERRMANN. I agree with you, and I would add that I agree with Mr. Sobhani that that is what is coming, whether we like it or not, and I think we should accept it, is the empowerment of mass publics.

We have seen it in Jordan. We have seen it in Algeria. We are going to see it in Egypt. There are going to be elections this year, and I suspect that some day we will see elections in Kuwait and in the Gulf, and people in those countries will remember what we did in 1990 and 1991.

Mr. TORRICELLI. The process of change that brings public enfranchisement in this instance is not necessarily to the American advantage.

Mr. SOBHANI. Well, I would say that with a caveat. I think that when one takes the country like Iran, one finds massive demonstrations on the streets of Tehran, Yankee go home, but on the walls of Tehran, they are writing, and take us with you.

Iranians are not hostile to the United States. There are elements within the Iranian Regime that are hostile. Should we promote democratic pluralism in Iran, I think we would find a populace that would welcome that.

Mr. TORRICELLI. Thank you, Mr. Chairman.

The CHAIRMAN. Mr. Solarz.

ASSESSING SANCTIONS POLICY, CONDITIONS FOR USE OF FORCE, AND IMPLICATIONS FOR GULF STATES AND U.S. INTERESTS

Mr. SOLARZ. Thank you very much.

Mr. Chairman, Mr. Herrmann and Mr. Placke, you both seem to feel that the sanctions will eventually succeed, if they are given sufficient opportunity to work in inducing Saddam Hussein to withdraw his forces from Kuwait. Is that correct?

Mr. PLACKE. Yes, sir.

Mr. HERRMANN. I think the way I put it is that I prefer that option. I think it's more likely to produce positive outcome than a military option. I am not sure either will produce a positive outcome.

Mr. SOLARZ. On the question of the efficacy of the sanctions, the people at the National Institute for Economics who seem to have done a fairly sophisticated study of the sanctions, tell me that in their view, the sanctions will result in a net reduction to GNP of Iraq of about one-third, which is, of course, a fairly substantial hit.

But since they now have a per capita income of \$3,000 per year, a one-third reduction would in effect mean that the per capita income of Iraq would decline to \$2,000 a year.

There are literally dozens of countries around the world that have per capita incomes far below \$2,000 a year. It's a fertile country, and presumably they will be able to adjust their agricultural sector in such a way that combined with the inevitable leakage in the sanctions, they will at least be able to feed their own people.

Therefore, I would like to know on what basis you believe that the sanctions will, in fact, be sufficient to get Saddam Hussein to withdraw his forces from Kuwait?

Mr. HERRMANN. I think that it will not create absolute destitution, but it will create a low enough and lowering standard of living that other Iraqis, including Mr. Hussein, will wonder whether this is worth it.

That is my sense, as energy production grinds down. Spare parts are no longer available, and there are alternatives for a settlement. I talked quite a bit about regional alternatives.

Mr. SOLARZ. Do you think the Iraqis wondered whether 500,000 casualties was worth keeping Saddam Hussein in power during the war with Iraq?

Mr. HERRMANN. Yes, I do think they wondered about it, and I think he did what he could financially to buy off their support. I think that the evidence that he did buy off their support during the war was very strong.

Mr. PLACKE. In addition to that particular point, of course the regime represented it—not entirely inaccurately—as defense of the homeland. It was defense against a foreign presence attacking Iraq. That is not the case here.

To try to deal with it a little more specifically, Mr. Solarz, I think a very good point that you raised is that averages can be deceptive; a man with one foot in a bucket of ice water and another in a fire on average ought to be comfortable, but he is probably not going to be.

The income that he described—and I don't disagree with your figures—isn't spread equitably or evenly around Iraq. And the priorities have been, and this is one of the reasons Iraq is in financial difficulty and will continue to be to be, given to security considerations.

To try to maintain the war footing in Iraq is going to be a tremendous strain on the economy.

Mr. SOLARZ. If Iraq withdraws unconditionally from Kuwait as a result of the sanctions, do you think Saddam Hussein will be able to survive politically?

Mr. HERRMANN. Yes, I do.

Mr. PLACKE. I think so, yes, sir.

Mr. SOLARZ. Supposing it turns out that your relatively optimistic assessment about the sanctions being sufficient to get Iraq out of Kuwait turns out to be wrong, and Iraq is unwilling to withdraw, under those circumstances, would you favor the use of force in order to get Iraq out, presumably in a multilateral context?

Mr. PLACKE. Well, for my own part, I think it is essential that the international commitment and the U.S. commitment on this to Iraq's withdrawal from Kuwait be met. And ultimately, if it proves that only force is the vehicle for doing it, then I think, yes, that has to be resorted to, in the full knowledge that the consequences are going to be very serious and damaging and long-lasting.

Mr. SOLARZ. Mr. Herrmann?

Mr. HERRMANN. Yes, I do. But I would emphasize within the multi-national context. I think very important is the precedent-setting case here, and that as long as international consensus agreed, that we tried, we have done everything we can, now it is time to use force.

If we did it through the Military Standing Commission and the U.N., only then I would say yes.

Mr. SOLARZ. Supposing we could get the support of the use of force from our Arab partners in this enterprise, but, say the Chinese vetoed the resolution, what would you have us do then?

Mr. HERRMANN. If the Arabs and Europeans are prepared to join with us in the use of force, even if the Security Council does not adopt the resolution?

Mr. SOLARZ. Presumably China has vetoed the resolution. Would you advocate moving ahead on a multilateral basis?

Mr. HERRMANN. Yes. If it was clear to those Arabs—by Arabs, we mean more than just the Gulf monarchs, Egypt, Syria, and much of the Maghreb and the Soviet Union.

Mr. SOLARZ. We have only Morocco from the Maghreb. If the Egyptians and Syrians were not prepared to participate, as well as the Gulf States—

Mr. HERRMANN. And the Europeans, including the Soviets.

Mr. SOBHANI. We are sure the conflict remains within the Kuwaiti territory. In other words, if we want to remove Saddam Hussein, it better be within Kuwait proper, and not extend the conflict into Iraq.

Mr. SOLARZ. You indicated, Mr. Sobhani, that you favor an effort to promote democracy in the region. Of course, we all support political pluralism. There appears to be considerable sentiment for more democratic government in Kuwait.

And I gather that as a result of that sentiment the Emir just committed himself, if and when his government is restored, to bringing back the parliament and, I suppose, to having free and fair elections.

But what about the other Gulf states? So far as you can determine, is there any significant sentiment for multiparty parliamentary democracy in Saudi Arabia, for example, or the Emirates? Because if there is, I must say I haven't come across it in my visits.

Mr. SOBHANI. I think there is a distinction to be made between regimes. Regimes that are able to distribute economic and social justice have the monetary means to do it, and therefore, would not

open up the political scene, which is a country like Saudi Arabia, Kuwait—until recently Bahrain, Qatar, some of the more rich Gulf states.

It is in countries where the economic and social distribution is not forthcoming. The case in point is Jordan; King Hussein of Jordan. Algeria, Egypt. These are regimes with big populations, they open up the political landscape.

Mr. SOLARZ. I am talking about the Gulf countries.

Mr. SOBHANI. I think there is a sentiment. I think there is enough students, intellectuals, women, within these societies that will welcome that. I think they look at our policy towards Eastern Europe, the Philippines, towards South Korea, and are telling us, why are we stopping short of advocating democracy when it comes to the Middle East?

Mr. SOLARZ. I have to say, with respect to Saudi Arabia, which I have visited more than half a dozen times, I have yet to meet anyone who has talked about some indigenous movement for parliamentary democracy in Saudi Arabia. Maybe I am not talking to the right people.

Is it your view there is significant sentiment along those lines in Saudi Arabia, and if so, where does one find it?

Mr. SOBHANI. Sometime ago, King Fahd of Saudi Arabia opened up an argument in the Okkaz newspaper in Saudi Arabia concerning the role of women and allowing women to drive. This was an initiative by King Fahd himself. Many, many Saudis, including Saudi women were behind that initiative.

Mr. SOLARZ. I am not talking about whether women should have the right to drive, I am talking about whether there should be a multi-party system.

Mr. SOBHANI. I think in a case like Saudi Arabia, one has to make sure that one does promote democracy on a step-by-step basis.

Mr. SOLARZ. The path to parliament lies through the driver's license for women?

Mr. SOBHANI. The path of democracy lies through the opening of dialogue. And what we need to do is promote dialogue through some of the more religious—

Mr. SOLARZ. I would like each of you to speculate briefly, if you can, about what the longer-term implications for American interests in the Middle East would be if the sanctions are not sufficient to get him out, and force is used on a multilateral basis, with or without U.N. endorsement. Assume for the purpose of this scenario that the Gulf states, the Egyptians, the Syrians, and several of the Europeans join with us. Further assume that as a consequence of this multilateral action, Iraq is forced out of Kuwait and much of Iraq's military infrastructure is destroyed. What do you think happens under those circumstances?

Do the moderate regimes in Egypt, Jordan and the Maghreb fall to enraged fundamentalist mobs who may feel we shed Arab blood? Or would the moderate regimes who are our allies be strengthened by virtue of the demonstration that Saddam's type of aggression doesn't work?

What does it mean for the peace process between Israel and the Arabs? Is the PLO then in effect put aside by Egypt, Syria and the

Saudis, because they didn't cooperate? Do we face systematic terrorism for the rest of the century by enraged Arabs?

Mr. HERRMANN. I think there will be enragement. How detrimental it will be in this situation will depend first on how genuine the multinational consensus was. If it looks engineered by us, and it probably will to most Arabs, we will pay a higher price than if it looks like it is coming from some Europeans, other than Margaret Thatcher.

I think more importantly, though, would be what we do then in the region in the midst of all this chaos, because this destroyed Iraq may now be attacked by Turkey—Turkey probably would have participated in the military assault on it, and may well make claims to the northwest territories.

Iran may be trying to play in troubled waters. There will be a very messy situation. If the United States in that environment decides "moderate Arab regimes," using your label, are important to it in this new situation, and therefore now must do more to keep Mubarak and others safe from this enraged mob by putting still more pressure on the peace process issues, putting more pressure on Israel to bring to fruition—let's call it—on West Bank and Gaza issues in somehow comparable ways of what has been exercised on Kuwait, we might be able to defuse that enraged mob at some high cost.

I would suggest, though, in freedom of movement, on Arab-Israeli issues, to come right to your point. Our latitude would be reduced. We would need to either address Arab grievances or consider an alternative strategy that would write off the Arab world and decide Israel, Turkey, and some day perhaps a future Iran would be a strategic alliance on the periphery of the Arab World.

But I think we would be at a very important crux point. And the Arab reaction would depend largely on which way we go from there.

Mr. PLACKE. I would submit we probably don't have the luxury of permanent disengagement from the Arab world, if for no other reason that two-thirds of known total petroleum reserves worldwide are located in the Gulf and riparian states.

While there are things that can be done to reduce reliance on that region, it can't be eliminated altogether. I am afraid we are stuck with each other for the long run. Therefore, we have to make the best of it that we can.

If hostilities are the ultimate resolution to the problem, I think Mr. Herrmann has outlined some of the consequences, as have you, Mr. Solarz, and all of those are possibilities. The best we can do, it seems to me, is try to control the aftermath, and an important element of that control will be the kind of longer-run security arrangements we foster among the Arabs themselves, and in which we participate.

I think that has got to be a critical part of it. And not just a physical presence on the ground, and not just equipment sales, but an effort, internationally, to control development of unconventional weaponry in that region, and to aim for reduction of armaments more broadly.

I think those have to be part of the picture as well.

Mr. SOBHANI. The consequences of war, as the gentleman mentioned, are obviously devastating, but I think the President and Congress have the opportunity to impose their moral will. And this might sound like a very ideal objective, but I think, given the consequences of anti-American sentiment on the horizon, maybe it is high time the President come—be the vanguard of promoting—and Congress—more openness and more human rights and justice in that part of the world.

Because we are not part of the problem, but we are part of the potential solution. And that is what they are looking to us towards. That is why we are seeing anti-American sentiment.

They are sending us a signal that you can be part of the solution. I think it is time we become part of the solution.

Mr. SOLARZ. If the consequences of war are as serious as you portray them, why do both of you Mr. Placke and Mr. Herrmann, believe that if the sanctions don't work, we should be prepared to go to war, albeit on a multilateral basis? Why not basically keep a defensive force in Saudi Arabia and let the Iraqis stay in Kuwait, hoping over time that maybe they will leave?

Mr. PLACKE. I am not sure a sufficient force to be able to defend itself, which is obviously critical, later on to defend the broader territory of Saudi Arabia and the Gulf, is sustainable on that kind of indefinite, no-war, no-peace basis. It seems to me eventually there has to be a resolution of it.

Given the very strong position that the international community has taken, and this is the first post-Cold War crisis, and how it is managed is going to determine, I think, a good bit about the future management of other crises, and that is an important dimension as well.

With all of that, it just doesn't seem to me that we can—we, the United States—can be credible in that region, or even more broadly in other parts of the world, unless we are able to accomplish what we say our purpose is.

Therefore, despite all the risks, it seems to me we have to go for a resolution of the crisis.

Mr. HERRMANN. In my opening statement, in which I said we should wait a long time, and I never fully defined what a long time should be. That would be my first point. I have also stressed we need a genuine multinational consensus not engineered by the United States, if it was genuine international consensus, I think we should play our role in that, but we should certainly not lead that.

If really what you are asking me, is should we lead this, my answer is no.

Mr. SOLARZ. Thank you very much.

POLITICAL IMPLICATIONS OF A USE OF FORCE POLICY AGAINST IRAQ

Mr. HAMILTON. And if you don't have the multinational consensus for the use of force, we ought to use it?

Mr. HERRMANN. I see no reason at this point to give up on the international consensus. I see no evidence it is cracking. I see no reason it will crack. Iraq is not that important to anyone except Jordan. There is no evidence in Europe this is cracking, and, yeah,

I would wait quite a long while until—as I said in my statement, no one knows whose side time will ultimately play on.

My guess, I think it will play on our side. I suppose down the road, if it looks like it is shifting and clearly playing on Saddam's side, I would make a different calculation, but I don't foresee that coming.

Mr. HAMILTON. Do I understand all of you, then, to the best of your ability to foresee events in the Middle East and we all recognize how difficult that is, you all think this confrontation will be resolved without war.

All of you think the sanctions will work?

Mr. SOBHANI. No.

Mr. HAMILTON. You do not think they will work?

Mr. SOBHANI. No.

Mr. HAMILTON. For you other two, then, do I understand your positions correct that if the sanctions do not work, you would be prepared to use force in the multinational context which you described, is that right?

Mr. PLACKE. Yes, sir.

Mr. HERRMANN. As I described—

Mr. HAMILTON. And if the sanctions do not work, in your view, Mr. Sobhani, what is going to happen?

Mr. SOBHANI. If the sanctions don't work, I think the President has a choice, and he is, I think, grappling with that choice every night, while we are talking. Do I go in, or do I not go in?

Mr. HAMILTON. What would you recommend?

Mr. SOBHANI. I would say go in if we are going to go in fast into Kuwait—just into Kuwait, push the Iraqis back and come out, while at the same time—and once again, I hate to belabor this point.

Mr. HAMILTON. If I understand the military experts correctly, they emphasize that you can't do that militarily, that you also have got to hit the supply lines coming down through Iraq. You just can't go into Kuwait by itself.

Mr. SOBHANI. I think the—I will leave the military experts to decide on the military aspects, but I think as far as the decision whether or not to go to war, if the sanctions aren't working, the question is, will we go to war, I am saying I think the President will make that decision and go to war.

Mr. HAMILTON. Politically, do you think it would be a very bad mistake if we have to use force to go into Iraq?

Mr. SOBHANI. Yes, I think it is very, very dangerous.

Mr. HAMILTON. Where does Arafat stand in all of this? How do you assess his position? Does he come out very badly weakened or strengthened, or is he in his last days as leader of the PLO? Is the PLO a declining force?

Mr. PLACKE. It may be a combination of all of those things. It is very difficult to imagine, although stranger things have happened, that Saudi Arabia, Egypt, perhaps even Syria are going to be prepared to deal with Arafat again in the future, as they have in the past.

I think the search for alternative leadership within the PLO is probably already under way. Whether the PLO itself is going to be the same force in representing Palestinian nationalism as it has

been traditionally, I think it is also up for grabs, given the failure of the present leadership of the PLO and the decreasing role it is playing in the Intifada and the occupied territories.

It seems to me it is losing within both the occupied territories and Arab support outside.

Mr. HERRMANN. I have different views. I think among Arab nationalists, Arafat has been strengthened. He was perceived as too moderate for the last year or two, and as having been viewed as both naive and foolish. Saddam has provided him cover.

Among his financial supporters, on the other hand, and among those Arab allies of his who had access to us, he has lost ground substantially. It is not clear to me yet which of the two—

Mr. HAMILTON. How does it net out?

Mr. HERRMANN. It is very difficult, because this crisis is not over. As I tried to lay out, I think the most likely scenario is a kind of draw where Saddam can claim a lot of victory from this. And in that situation, Arafat can emerge among Palestinians with Saddam as slightly strengthened among those Arabs who have confidence in a confrontation policy.

Mr. HAMILTON. If you see the final result as one in which Saddam can claim gains, a lot of victories, where does that leave the United States?

Mr. SOBHANI. With another Abdul Nassar.

Mr. HERRMANN. With a need, in my judgment, to build a multi-national system that will continue to impose arms restrictions, nuclear proliferation restrictions, economic sanctions on Iraq post-crisis, if Iraq continues to spend on the military arsenal.

Mr. HAMILTON. The President and Secretary of State have made very, very clear, have they not, that at the end of the day, we cannot permit Saddam Hussein to be seen as the victor here. And you are saying—

Mr. HERRMANN. He won't be seen as the victor in our eyes. He will claim victory.

Mr. HAMILTON. It will be a messy kind of result. It will be an ambiguous kind of result.

Mr. HERRMANN. Very ambiguous. Ambiguous enough he will claim victory.

Mr. HAMILTON. We will have to be able to claim he cannot claim victory.

Mr. HERRMANN. He will in fact have left Kuwait and met the four conditions of the President.

Mr. HAMILTON. And that is sufficient for us?

Mr. HERRMANN. It would be, for me.

Mr. HAMILTON. That is not too ambiguous then, is it?

Mr. HERRMANN. No. If the result—

Mr. HAMILTON. Insofar as the achievement of those four objectives are concerned.

Mr. HERRMANN. I would say it was an unambiguous accomplishment of the American objective.

Mr. HAMILTON. Well, I guess the point is that an outcome does exist that would permit us to achieve our objectives and also permit Saddam Hussein to stay in power with his military regime, right?

Mr. PLACKE. Yes, sir.

Mr. HAMILTON. We better finish up here, but I would like to ask you about the propaganda strategies of Saddam Hussein and how they are perceived in the Arab streets.

Is he gaining or losing ground? Are the various propaganda themes that he hits beginning to hit home in the Arab world? And if you were trying to identify the trend lines in Arab public opinion, how do you think it would be moving? Toward greater support for Saddam Hussein or against him?

Mr. SOBHANI. If I may start off, in Jordan, there is a new title for King Fahd, he is called no longer the Protector of the Holy Places, but the Traitor to the Holy Places. The sentiment is also echoed in Algeria, in the West Bank and Gaza, and in the streets.

Mr. HAMILTON. Saddam Hussein is gaining substantially on the street.

Mr. SOBHANI. He is, and he is being helped from rhetoric from countries like Iran, for example. Iran has recently published accounts that the United States has asked Egypt to send 10,000 women to Saudi Arabia to help the U.S. troops. This plays on the sentiments within those countries, and he is taking—he has the upper hand in the propaganda warfare.

Mr. HERRMANN. I agree. I think he is very popular. In Syria, it is a difficult call. The Sunni majority of Syria are the same people who lived in Jordan. If they had the freedom to express themselves, my feeling is they would express themselves the same as Jordanians, but they don't.

Egypt is a special case, because many Egyptians have lived in Iraq. Many of them are not wild about Saddam. And much of the Islamic establishment in Egypt has been well subsidized by the Saudis.

What the street feels—it is hard to tell. My guess, he is probably gaining ground. And I would guess he is gaining ground in Iran outside the Arab world, because of his anti-imperial stand.

Mr. PLACKE. I would echo some of those sentiments. Certainly, Iraqi propaganda has been very skillful. What it has played to, it seems to me, as a concept, is every aggrieved group within the Arab world, whether it is the nationalism of the Palestinians or the feeling the Gulf States have shared their wealth insufficiently throughout the rest of the Arab world.

Saddam has hit these three themes, have versus have-nots, Palestinian nationalism, and the denial of more progressive trends within the Arab Gulf states.

I think he has done about as much as he can do along these lines. He is now the champion, for lack of any alternative, of all those in the Arab world who have grievances; but there is a tendency to favor the victor, and if Saddam in a real sense is defeated, I am not sure that that emotional response is going to be long-lasting.

Some of it will be, of course. Perhaps particularly the Islamic dimension. The others will tend to look for a new champion. I think we may now see Saddam's personal popularity as an Arab leader at about its high water mark.

Mr. HAMILTON. Okay. Thank you very much.

We have had a good session. We appreciate your testimony. The subcommittee stands adjourned.

[Whereupon, at 12:35 p.m., the subcommittee was adjourned.]

THE PERSIAN GULF CRISIS

WEDNESDAY, NOVEMBER 28, 1990

HOUSE OF REPRESENTATIVES,
COMMITTEE ON FOREIGN AFFAIRS,
SUBCOMMITTEE ON EUROPE AND THE MIDDLE EAST,
Washington, DC.

The subcommittee met at 10:03 a.m., in room 2172, Rayburn House Office Building, Hon. Lee H. Hamilton (chairman of the subcommittee) presiding.

Mr. HAMILTON. The meeting will come to order.

The Subcommittee on Europe and the Middle East meets today in open session to discuss the Persian Gulf crisis. The subcommittee would like to examine several issues:

United States policies and deployments in the Persian Gulf.

Assessment of the role of the United Nations in this crisis.

The effectiveness of sanctions against Iraq.

Implications of a military conflict.

Views of the Gulf crisis in the Middle East.

And implications of this crisis for the political, economic and social map of the Middle East.

Our witnesses today are the Hon. Harold H. Saunders, Visiting Fellow, The Brookings Institution; Edward N. Luttwak, Arleigh E. Burke Chair in Strategy, Center for Strategic and International Studies; and Patrick Clawson, Editor of *Orbis* and Resident Fellow, Foreign Policy Research Institute.

Gentlemen, we welcome you before the subcommittee. Any prepared statements you have will be entered into the record in full. When I turn to you in a few minutes for your statement, your statements will be entered into the record. Then we will want to turn to questions as quickly as we can.

It may be that some of my colleagues have a statement they would like to make.

Mr. Hyde from Illinois?

STATEMENT OF MR. HYDE

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

Let me preface my remarks by saying that I find sitting up here in the senior precincts of the committee almost intoxicating. I am number seven in the Minority. The view from Mount Olympus is indeed formidable, and I am delighted. I say that in anticipation—

Mr. HAMILTON. You fill it very well, Mr. Hyde.

Mr. HYDE. Thank you. I say that in anticipation of someone more senior coming and I having to return to my modest locale.

In any event, thank you. I want to thank the three extremely qualified witnesses we have today for giving us the benefit of their expertise. I don't view this as an opportunity to tell them how I feel about the Iraq situation, but I do have something I want to say that I hope is relevant.

For as long as I can remember, Congress and the Executive have responded to Professor Edward Corwin's famous invitation to struggle over the direction of foreign policy. Now that we expect the UN to sanction the use of force to dislodge the Iraqis from Kuwait, the long-awaited moment has arrived for Congress to play its appropriate role in this constitutional drama.

We have rightly demanded full consultation with the administration and with the notable exception of the recent doubling of our military personnel in Saudi Arabia, we have had those consultations. I regret the lack of consultations concerning that increase because despite the administration's effort to paint this as merely tactical, I view it as a strategic escalation of enormous consequences.

But with the UN action sanctioning the use of force, the equation changes, the stakes are higher and, forgive the cliché, the ball is now in our court. Rather than continuing to remind all who will listen that under Article I, Section 8, our Constitution assigns the war-declaring power to us, the opportunity for the debate we have been demanding is at hand.

The UN's action has not rendered Congress irrelevant in this matter, but on the contrary, shifted the focus to us, the Congress, to stop posturing, stop fulminating, stop viewing with alarm the alleged usurpation of our Section 8 authority but to do something.

I respectfully presume to suggest that the Chairman and Ranking Republican on this committee should introduce a resolution in support of the UN's resolution, thus providing the vehicle and the forum for Congress to debate these issues and, difficult and agonizing as it may be, take a stand.

Ladies and gentlemen, the nation awaits. And I thank you for letting me make that statement.

[The prepared statement of Mr. Hyde follows.]

Opening Statement of the Honorable Henry J. Hyde,
a Representative in Congress from the State of Illinois

FOR AS LONG AS I CAN REMEMBER, CONGRESS AND THE EXECUTIVE HAVE RESPONDED TO PROFESSOR EDWARD CORWIN'S FAMOUS "INVITATION TO STRUGGLE" OVER THE DIRECTION OF FOREIGN POLICY.

NOW THAT WE EXPECT THE UNITED NATIONS TO SANCTION THE USE OF FORCE TO DISLODGE THE IRAQIS FROM KUWAIT, THE LONG AWAITED MOMENT HAS ARRIVED FOR CONGRESS TO PLAY ITS APPROPRIATE ROLE IN THIS CONSTITUTIONAL DRAMA.

WE HAVE RIGHTLY DEMANDED FULL CONSULTATION WITH THE ADMINISTRATION AND WITH THE NOTABLE

EXCEPTION OF THE RECENT DOUBLING OF OUR
MILITARY PERSONNEL IN SAUDI ARABIA, WE HAVE HAD
THOSE CONSULTATIONS. I REGRET THE LACK OF
CONSULTATIONS CONCERNING ~~THE~~^{THAT} INCREASE, BECAUSE
DESPITE THE ADMINISTRATION'S EFFORTS TO PAINT
THIS AS MERELY TACTICAL, I VIEW IT AS A
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BUT WITH THE U.N. ACTION SANCTIONING THE USE OF
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HIGHER, AND, FORGIVE THE CLICHE, THE BALL IS
NOW IN OUR COURT.

RATHER THAN CONTINUING TO REMIND ALL WHO WILL LISTEN THAT UNDER ART. 1, SEC. 8 OUR CONSTITUTION ASSIGNS THE "WAR DECLARING" POWER TO US, THE OPPORTUNITY FOR THE DEBATE WE HAVE BEEN DEMANDING IS AT HAND!

THE U.N.'S ACTION HAS NOT RENDERED CONGRESS IRRELEVANT IN THIS MATTER, BUT ON THE CONTRARY, SHIFTED THE FOCUS TO US -- THE CONGRESS -- TO STOP POSTURING, STOP FULMINATING, TO STOP POINTING WITH PRIDE AND VIEWING WITH ALARM THE ALLEGED USURPATION OF OUR ART. 1, SEC. 8 AUTHORITY, ~~♣~~ BUT TO DO SOMETHING.

I RESPECTFULLY SUGGEST THAT THE CHAIRMAN AND RANKING REPUBLICAN ON THIS COMMITTEE SHOULD INTRODUCE A RESOLUTION IN SUPPORT OF THE U.N. RESOLUTION, THUS PROVIDING THE VEHICLE AND THE FORUM FOR CONGRESS TO DEBATE THESE ISSUES AND, DIFFICULT AND AGONIZING AS IT MAY BE, TAKE A STAND!

LADIES AND GENTLEMEN -- THE NATION AWAITS!

Mr. HAMILTON. Thank you very much, Mr. Hyde.
Mr. Lantos.

STATEMENT OF MR. LANTOS

Mr. LANTOS. Thank you, Mr. Chairman.

I don't have a prepared statement. I want to commend you for holding this hearing, as indeed you have held hearings on critical issues through the decade. I have enjoyed the pleasure of working with you.

I welcome the fact that my good friend Congressman Hyde has moved to Olympian height next to the Chair. Let me assure him that while I have been sitting next to the Chairman for almost 10 years now, the gap between the Chair and these Olympian heights is as great as it is from position number seven.

While I have not heard my good friend Congressman Hyde's statement prior to this moment, may I fully associate myself with it. I think it is a carefully thought out, reasonable and responsible position. I want to commend him for it.

I look forward to listening to our three distinguished guests.

Thank you, Mr. Chairman.

STATEMENT OF MR. LEVINE

Mr. HAMILTON. Mr. Levine?

Mr. LEVINE. Mr. Chairman, thank you.

Not being one to pass up an opportunity such as this, I, too, want to both thank you and commend you for calling this hearing. I share the views of my friend Mr. Lantos that it is through leadership such as this that you have consistently enabled the Congress to carefully review some of the most critical foreign policy issues facing our country.

I want to associate myself with Mr. Hyde's suggestion. I think it is an important one. I applaud Mr. Hyde for making it.

Frankly, I believe it is in the President's interest and the country's interest to come to the United States Congress and suggest that the Congress take a stand. If the Congress will not support the Presidential action here, it is something that the President should learn and understand. Frankly, I continue to believe that there is strong bipartisan support for the goals that have been set forth by the administration. There is also a need to express to Saddam Hussein that aggression cannot succeed in this region of the world or any place, hopefully, for that matter.

I do believe it is very much in the President's interest to follow up on the suggestion that has been offered by Mr. Hyde today and by others before.

I do have a brief statement, Mr. Chairman, that I would like to offer.

Mr. Chairman, clearly we do have vital and national security interests at stake in the Persian Gulf. Clearly, we must always be prepared to protect our critical interests and to protect them with military force if need be. For this reason, I have supported the President's deployment of troops to the Gulf to prevent further Iraqi aggression.

I have certainly supported the embargo to attempt to enforce our objectives upon Iraq. Indeed, many of us in Congress supported an embargo or something like this embargo well before the President conceded that Iraqi aggression might pose a threat to American interests. But it is not at all clear at this point in time that the risk that Saddam poses to our interest requires a ground war to repel him.

I am looking forward to hearing statements from the witnesses as to whether in fact they believe it does. The President has taken pains to underscore the following goals of U.S. policy in the Gulf: Iraqi withdrawal from Kuwait, restoration of the Kuwaiti government, security and stability of the Persian Gulf and protection of American lives.

I believe that all of these goals are valid and appropriate. But can these goals still be achieved either by the embargo itself or perhaps by air strikes on Iraqi strategic assets? It is today, Mr. Chairman, not clear that achieving these goals require the use of force or indeed whether force is the best means of achieving these goals. This is a discussion and a debate that I believe must be held in the Congress as well as in the Executive Branch.

Economic sanctions may seem painfully slow in taking effect, but in the end they obviously would be far less painful than the thousands of lives lost. If in fact our goals can be achieved through economic or diplomatic means, I think there would be a consensus that that is a preferable result.

I must at the same time, Mr. Chairman, express exasperation that while the administration appears to be chomping at the bit to go to war to teach Saddam a lesson, it tragically continues to send some of the same mixed signals that encouraged Saddam prior to this crisis.

Just last week I was very unhappy when the President decided to pocket veto the Export Administration Act simply because the bill required mandatory sanctions against any country that uses poison gas on people, as Iraq did when it murdered thousands of its own Kurdish citizens with chemical weapons. I would think we would be long past the time when the administration would feel the need to veto sanctions legislation for the use of chemical weapons.

I am also deeply concerned, Mr. Chairman, that the administration appears to be confused about just who is doing whom a favor in this crisis. We are bending over backwards to curry favor with the Saudis and the Syrians as if we were indebted to them for allowing us to save their skins.

We appear to be down-playing our relationship with the Israelis not just publicly, which might be appropriate in the Gulf at this point in time, but privately as well. That has to leave a great deal of discomfort and anxiety in Israel and raises serious questions about what is motivating the President of the United States in terms of some aspects of this policy. So as not to offend Arab sensibilities, it does make sense to keep public distance. It simply does not make sense for the President of the United States to be pursuing as relentlessly as he has been the type of private distance that he has with our very close friends and still our only democratic ally in the region.

I am completely mystified that the President feels the need to protect the sensitivities of Hafez Asad while at the same time shunning our long-time friend and ally. It appears tragically to resemble the President's own prior policy with regard to Iraq, that the enemy of the enemy is my friend. As long as Saddam Hussein was an enemy of Iran, we continued to deal with him as a moderate Arab leader.

President Bush and the State Department persisted in the view until late July or early August of 1990 that a moderate Arab coalition, including Iraq, Saudi Arabia, Jordan and Egypt, could be developed in the region. This administration persistently refused to send any clear signals to Iraq because it wanted to continue to persist in this delusion of Saddam Hussein as a moderate Arab leader.

Are we not doing the same thing with Hafez Asad? The Administration now believes they should deal in a very close fashion with anybody who is willing to ally with us against Saddam Hussein.

I welcome Syria joining the alliance, but Syria joined this alliance for Syria's own reasons. Hafez Asad has been looking for a reason to go after Saddam Hussein for a very, very long time. Does it make sense now for us not to even peep when Syria gobbles up Lebanon and cold-bloodedly murders hundreds of civilians because Hafez Asad has decided to help us against Saddam Hussein?

I am very perplexed and deeply troubled by this effort to personalize diplomacy in the region. It appears to be an effort very typical of this President. He is his own desk officer in China. He appears to be his own desk officer in the Middle East as well. And he appears to make decisions on much too personal of a basis overriding longstanding diplomatic concerns.

I hope we would have some analysis of this conduct as a part of this policy. I don't know whether it troubles these witnesses as much as it troubles me. I would be interested in finding out. But as with the veto of the chemical weapons sanction legislation, the President seems to be sending very confusing signals with his embrace of Hafez Asad. It raises questions that are very troubling and that I would hope the witnesses would address.

It is perhaps no wonder that the President has thus far not fully sold his case either to Congress nor to the public on military action in the Gulf. I suggest that the American people will not support such action unless our stated goals clearly justify the extreme risk and unless military action is the best possible alternative. A policy that does not have the support of the American people is doomed.

Some of these embraces such as the one of Hafez Asad raise troubling, serious questions. I hope the witnesses will help us to understand some of the underpinnings of this.

I have a number of other questions in this area, but I had not intended to spend as much time as I have on these. But they do suggest some of the concerns that I have developed. I very much hope we will have them clarified in this hearing.

Mr. Chairman, thank you very much for holding this hearing.

Mr. HAMILTON. Mr. Lantos, Mr. Levine, thank you very much for your statements. The Chair appreciates them.

The Chair has two statements, one from an inter-religious group entitled "Ten Points on the Iraq-Kuwait Crisis and U.S. Policy," and a second from the Church World Service Lutheran World

Relief. The Chair would like to submit those for the record. Without objection, that will be done.¹

Mr. HAMILTON. Gentlemen, we are ready now for your statements. I think we will proceed across the table from my left to right, beginning with you, Mr. Luttwak. I have statements here from Mr. Clawson and a statement by Mr. Saunders which will be made part of the record. You may proceed as you see fit in your opening statements.

**STATEMENT OF EDWARD N. LUTTWAK, ARLEIGH E. BURKE
CHAIR IN STRATEGY, CENTER FOR STRATEGIC AND INTERNATIONAL STUDIES**

Mr. LUTTWAK. I am honored by the opportunity to present my views and discuss these grave matters with this committee. I would like to address military questions, but as we all know, military choices have no meaning except in context. The regional and the world context, I would like to say a word about each and then move on to the military choices, costs and benefits.

The regional context is one that we now are familiar with. The region of the Persian Gulf has been characterized by instability and conflict in the past simply because it is entirely divided by lawless dictators and equally also bureaucracies, patrimonial rules and such. Regardless of the outcome of the present crisis, the region of the Persian Gulf will continue to be characterized by instability and conflict simply because it will continue to be ruled by governments that are neither stabilized nor restrained by legality or democratic participation.

Once you have lawless governments, lots of money to buy weapons and you do not have the domestic political stabilization of democratic governance, instability is automatic. What this means is that no military action now being contemplated against Iraq can really be expected to do more than to turn the wheel of conflict one more time.

We have had an unstable area, we will have an unstable area. There will be conflict. The only difference, if we do engage in military action, is that we will change the enemies. Before it was Iran that was the enemy. Iraq was favored. If we destroy Iraq's power, there will be Iran and some other combination, Syria perhaps, as enemies. This is of crucial importance in considering this reaction.

All comparisons with the 1930s, with the Second World War, the struggle against Hitler are misleading. When American soldiers were asked to fight against Germany and Japan, they did so with some earnest, some reasonable hope that their sacrifice would not be futile. We went in, defeated the Germans and Japanese and then proceeded to impose basic political, cultural and, in Japan's case, religious reforms that turned out successfully and which rendered these countries peaceful.

In this case, however, if Americans were to die in fighting Iraq, only the tragic loss inflicted on their families would be permanent. Any results would be ephemeral. I see no signs that the United States policy attempting to promote legality or democracy or to

¹ See Appendices 8-9.

show any, indeed, show the greatest deference towards the lawless and arbitrary governments of the area.

It is not a question that they are so wicked, it is that they are not stabilized by legality or democratic participation. The regional context therefore would render American losses ephemeral.

As for the world context, I think that it is clear enough that with the end of the Cold War we see a great decline in the importance of geopolitics. Military power is devalued in the main arena of international life where North Americans meet Europeans, Russians, Japanese and those who act like them.

The Persian Gulf is obviously a great exception. The Persian Gulf is a backward area of the world where governments are still sustained by force domestically, where military power dominates regionally. However, the continued dominance of geopolitics in the Persian Gulf doesn't change the fact that it is a phenomenon.

This suggests that the greatest cost of the administration's handling of the crisis, particularly its refusal of quick action early on, is that it kept the United States fixated on geopolitical priorities at a time when in the main arena of world politics, the geo-economic competition is well under way.

The leaders and the people of the countries already fully engaged in geopolitical competition have watched this with amazement, admiration and some pity as we have sent off great expedition in forces, mobilized reservists, tearful family separations, frantic diplomacy, engaged focus with diplomatic problems with the likes of Syria and Yemen and devoted billions of dollars.

Therefore, their part have remained focused on what they think is the main context in the arena of international life, which is who will make the aircraft, the computers and the advanced materials of the next generation. They have watched and have been fixated on this.

Of course, they are not very pressed by what we are doing. They are grateful for the fact that we have boyish enthusiasm and the reckless generosity we show. But they are not impressed by this. In fact, unless I am much mistaken, the Japanese Ministry of Finance has yet to hand over the merest fraction of the funds that one company has just now found, you know, one of the companies has found to purchase a major U.S. corporation. Of course, it is possible that they are averse to renting; they may not like renting. If we offered to sell them our expedition of forces in lieu of renting them, they might be more generous.

The fact of the matter is that our principal economic competitors are already engaged in a new economic world in which capital displaces firepower, market penetration displaces garrisons and bases, and civil product innovation displaces military R&D. However great the Persian Gulf crisis may loom before our eyes, in terms of the flow of world strategy, it is a side show. It is a side show.

Hence, my personal strong objection to the idea that America is including a son of a friend of mine, a close friend of mine should die for something that is ephemeral because no structural change will bring stability to the area. We will just have another conflict and a side show. I must consider the question of the use of force in this context.

There is, of course, a question of alternatives to force. We did have what seemed to be a perfectly valid alternative to me, which was the indefinite continuation of the embargo. Perhaps the President thought that the Saudis would not hold the course for the two to three years it would take to reduce Iraq to its natural agricultural state. Perhaps he was impatient, perhaps there is information I am unaware of. To me, it looked like a perfectly good alternative to the use of force. But that was very difficult, it was very difficult to wait indefinitely for two to three years with 200,000 troops in place. With 400,000 or more it is quite impossible, as we all know. Force may thus be unavoidable.

Let us recognize that any use of ground forces in the presence of so much strength must entail large casualties. Let's visualize an envelopment operation that avoids a frontal attack against the mine fields that enforces prearranged artillery of the Iraqi fortified zone in Kuwait. Let's visualize an elegant armored development, not a frontal attack. Let us assume any ground actions preceded by very effective softening up by artillery, even naval gunfire, that is appropriate.

Let's assume any Iraqi counter-stroke, any organized counter-stroke against our armored thrust is broken up by air power before it can actually even reach our forces. Let us ignore the possibility that Iranian Revolutionary Guards may come into action as volunteers, when the American offensive abuts on the Iranian frontier as it must to cut off Iraqi forces in Kuwait from the rest of the country.

Let us ignore the possibility that the hundreds of thousands of Iraqi troops that will be on each side of such an involvement would make any attempts to converge against it even by dribs and drabs.

Let us also further assume that all equipment works perfectly, that all our plans, our operation is skillful and all our tactics are sound.

Having thus constructed the most optimistic ground force scenarios, we should not only allow the casualties that will be caused by incidentals such as stepping on mines, short fire fights with stragglers and hold-outs, misunderstandings with thousands of Iraqi troops who tangle with American platoons, you would be left with thousands of casualties.

In other words, you put in these terrorists, these numbers and now make all the most optimistic assumptions of the most optimistic briefer, and you still will be left with thousands killed in action, wounded and the inevitable quotient of missing-in-action, people who would be lost or killed in the desert perhaps merely because of accidents. Then of course such extreme optimism may be unwarranted if only because much U.S. equipment, an exceptional quotient of U.S. equipment happens to be very new and has certainly never been tried in combat before.

Most of the U.S. troops have seen no combat either. And no senior U.S. military officer, even the ones who speak with such authority about schemes and plans, has any experience with large-scale armored warfare, which is not the same thing as moving with tanks. The last time U.S. officers engaged in such warfare was in 1944.

I cannot accept even the most optimistic assessments of casualties. I cannot find this tolerable. It is one thing to die in some titanic struggle for a great cause. It is quite another to achieve an ephemeral change in the Persian Gulf in what is a side show and that they should be doing this while others are engaged in the main context of international life and therefore will determine what they will do and their children will do when they come afterward. That is to say whether they will be assembly line workers or hamburger flippers or designers or such.

If we say the war is inevitable, and this committee, this Congress, and I hope all reject the notion of ground warfare of the entanglement of tens of thousands of Americans in this kind of ground warfare with these kind of people at this time, I would, this leaves the option, the much maligned air option.

We have heard assorted pundits, retired military officers lecture about the impossibilities and failures, inadequacies of air power. It is certainly true that air power has always disappointed whenever more than the purely mechanical effect was promised. Air power cannot break the morale of originally controlled population, perhaps of any population. It cannot destroy regimes. Regimes are not physical targets at all. It cannot kill rulers except by mere chance.

Berlin was bombed time and again in World War II. Not even the third level Nazi was killed, as far as I know. Air power has disappointed when somebody posited some action like bomb a city, bomb this, and then proceeded to claim there would be some effect from that that was not mechanical, that did not depend mechanically from the destruction of that target.

What air power can do, however, is to destroy buildings not in surgical strikes. The term surgical strikes should indeed be banned. It implies, it is not a surgical strike because it is not clean, it is not precise. It is war; therefore, errors are made. It is not a strike because it is a prolonged bombing offensive.

In this instance, if we wish to destroy the buildings that contain weapons and weapon assembly lines, the repair facilities, the ammunition depots and of course the laboratories and research establishments associated with Iraqi chemical-nuclear-biological programs, then we will be talking of sustained air operations lasting several days in themselves and involving some thousands of sorties where you would attack, photograph, return and bomb again. Precision weapons would probably play a very small role in this bombing; photographing and bombing again is the only remedy.

Now before doing such, any such action, of course, there would be further thousands of sorties required to first destroy Iraqi air defenses and the Iraqi air forces and of course missiles that might be fired would be the very first targets to be attacked. We are talking about many thousand—at the end of the day what you would have, you would have broken Iraqi military power in a sense of sustainable military power and you would have, of course, destroy Saddam Hussein's military ambitions. Now you would still have Iraqis in Kuwait.

Now, air power can be applied in two radically different ways. One is very costly and one is not. Oddly enough, all the pundits that we heard who have criticized, even ridiculed the idea that air could help, then turn around and insist that air would be absolute-

ly indispensable to allow the ground operation they deem justified and necessary.

The difference is this. If you try to use air power that is man flying in airplanes, dropping bombs against dispersed and camouflaged ground force, just enormous numbers of troops, thousands of armored vehicles would just simply disperse and camouflaged if only by the sand, then you are talking about one sortie per end point.

Let's assume that they have 5,000 armored vehicles in the operational area. They have more, but 5,000. Let's assume that you set yourself a target to destroying 50 percent of them. The other 50 could still inflict enormous casualties if you do attack. Fifty percent, you are talking about that many sorties, which means losses.

Even if Iraqi air defenses have been systematically degraded, destroyed, you still have lots of Iraqis with machine guns in their hands. There you are flying around looking for tanks and some targets to hit. They will fire and you will lose some aircraft. The sheer number of sorties would lead to losses because of mechanical effect.

There is an entirely different use of air power to force withdrawal. That would be to establish a patrol between Kuwait and Iraq proper in a zone maybe 30 kilometers, 40 kilometers wide, fly airplanes back and forth and hit any truck that moves. The result of that is that the Iraqis would not be able to feed the hundreds of thousands of troops that are in Kuwait. Those troops in due course, after a week, after a week or 10 days, would have a choice between starving in place, deserting individually to the south or retreating north.

You cannot put an army in the desert, an army of hundreds of thousands without having hundreds of trucks reaching them every day with food alone. Hidden trucks in the desert is something that has always been done successfully in the Middle East and has been done really since the First World War and very reliably.

I have heard people, to me quite absurdly, comparing this to our failures to use air interdiction against a trail in Vietnam, comparing interdiction in jungle conditions, confusing targets such as trucks with illusive guerrillas moving in the jungle pushing bicycles or something.

We have to cut our military powers. If we take all air powers and it is all useless, and we are forced into war by the abandonment of the economic option, then we are driven to the ground option, which I consider completely unacceptable.

Thank you very much.

Mr. HAMILTON. Thank you, Mr. Luttwak.

[The prepared statement of Mr. Luttwak follows:]

TESTIMONY OF EDWARD N. LUTTWAK BEFORE THE SUBCOMMITTEE ON EUROPE AND THE MIDDLE EAST OF THE HOUSE COMMITTEE ON FOREIGN RELATIONS, November 28, 1990

I am of course honored by this opportunity to express my views before the Committee.

I propose to address primarily the military questions that arise from the present crisis. But no military choice can be defined as right or wrong except in context. Hence I shall say a few words about both the regional and the world contexts, as well as the alternatives to war.

The Regional Context

The region of the Persian Gulf is characterized by a chronic instability because none of the governments in place is either stabilized, or restrained, by constitutional legalities and democratic participation. From that specific point of view, there is no substantive difference between the equally lawless dictatorships, theocracies, absolute monarchies, and patrimonial despotisms that divide the region between them.

Regardless of the outcome of the present crisis, the region of the Persian Gulf will continue to be characterized by instability simply because nothing is being done to promote legality or democratic participation—certainly not by current US policies that are marked by an outright deference towards the lawless, undemocratic regimes ranged against Iraq.

No military action now being contemplated against Iraq can therefore do more than to turn the wheel of Persian Gulf instability one more time. Before it was Iran that presented the immediate threat, and Iraq was therefore favored. Today it is Iraq that presents the immediate threat, and the United States is variously arming or courting its equally lawless neighbours. If Iraqi military power is destroyed, one or more of the powers in the present anti-Iraqi coalition will almost automatically constitute the new threat to be countered.

Comparisons with the 1930s and the Second World War are therefore entirely misleading. When Americans died in that conflict, their sacrifice was immediately followed by fundamental political, cultural and even religious reforms that transformed Germany and Japan into peaceful, democratic societies. Now by contrast, there is no intention whatever to impose any political or cultural reforms in the Persian Gulf region. Hence if Americans were to die in fighting Iraq, only the tragic loss inflicted on their families would be permanent, while any results achieved would be ephemeral.

The World Context

With the end of the Cold War, the main arena of international life is no longer occupied by geopolitical struggles. In the dealings of North Americans, all Europeans, Japanese and other advanced and advancing nations, military power is increasingly devalued, as is traditional security-focused diplomacy. In this emerging "Geo-economic" era, disposable capital is increasingly displacing firepower, civilian product development is displacing military innovation, and market penetration is displacing the possession of foreign garrisons and bases.

To be sure, that is not so in the Persian Gulf as in other unfortunate regions where governments rule by force, and military power still dominates. But if geopolitics thus continues to be important in those parts, it does so as a backward, provincial phenomenon. This suggests that the greatest cost entailed by the Administration's particular way of handling the Kuwait crisis -- and notably its refusal of any quick if imperfect solution-- is that it has kept the United States fixated on yesterday's geopolitical priorities.

The leaders and peoples already fully engaged in the new geo-economic competition have watched us with amazement and some pity as we have sent off great expeditionary forces, mobilized civilian reservists, engaged in frantic diplomacy with the likes of Syria and Yemen, and devoted billions of dollars without hesitation to assure primarily their oil supplies. From their point of view, the great questions to be resolved in the main arena of international life have not been changed at all by Iraq's invasion of Kuwait: who will develop and market the next generation of computers, civilian aircraft, advanced materials and other high added-value products? For that it is not expeditionary armies that are needed but abundant, patient capital; not impressive warships but educational investment in a highly skilled labor force.

How little the new geo-economic champions think of our Persian Gulf efforts, of which they are the chief beneficiaries, is revealed most clearly by their response to our repeated begging for financial contributions. Unless I am much mistaken, the Japanese Ministry of Finance has yet to hand over the merest fraction of the 7.5 billion dollars than one Japanese electronics company is about to pay in order to purchase a major US corporation. From MOFA's point of view, there is little point in paying for services so enthusiastically offered for free in any case.

Certainly, the defense of Persian Gulf oil supplies was once an indispensable adjunct to our overall geopolitical effort--without access to that oil our allies would have been politically very vulnerable to the Soviet Union. In present geo-economic context, however, it is not at all clear that it is to our advantage to assure cheap oil supplies for our chief economic competitors as well as ourselves. Perhaps it is, and perhaps it is not--Persian Gulf oil fields shut down and \$100 per barrel oil would certainly hamper the 100% import-dependent much more than the United States which is only 50% import-dependent even at present prices, and which also has ample alternative energy sources at much less than that price. These are complex questions which I would not pretend to settle, but the facts on the public record show that the Administration eagerly rushed into action with much boyish enthusiasm and no economic calculation at all, acting out a geopolitical reflex that may well be outdated.

As for the subsequent discovery of the potential for a "New World Order", that is a prospect impressive indeed but only if one does not scrutinize its contents too closely, for it would entirely depend on the permanent members of the UN Security Council, namely a decomposing Soviet Union, the world's greatest non-democracy of China, two fading European middle powers--and of course the United States, which would presumably continue to pay the greatest share of the cost of any interventions in both treasure and blood. Interestingly enough, the Administration has said nothing about the prospects of a multi-lateral arms denial policy for the entire violent zone from North Africa to SE Asia, surely the most obvious constituent of a "New World Order".

The regional context tells us that the results of war would be ephemeral. The world context tells

us that the Persian Gulf crisis that has so wholly preoccupied US policy since August is only a side-show.

The Lost Alternative to Force

The final contextual issue is the availability of alternatives to the use of force. And of course until the latest US force build-up, we did have a perfectly functional alternative: a long-term policy of economic denial. While even the highly effective economic sanctions that have totally cut off Iraqi oil exports cannot reliably induce policy changes, they have inevitable and cumulative physical effects in the long term. With each passing day, the Iraqi economy reverts another step to its organic agricultural level, which can supply dates and barley, but not ballistic missiles or indeed any other armaments beyond small arms. Perhaps the Administration feared that the the Arab regimes in our camp would lack the patience to wait out the necessary two or three years, and would instead make a separate peace with Iraq. Perhaps patience was deemed too costly in domestic political terms, or was abridged by a generous concern for the interests of the Kuwaiti ruling family (whose UN envoys, parenthetically, were well-known until a little while ago for the fervor of their anti-American polemics, and for a voting record more adverse to US interests than that of the Soviet Union).

In any event, the option of protracted sanctions is now closed. To wait with 200,000 troops or so would have been feasible perhaps. To wait with 400,000 and more is quite impossible.

THE USE OF FORCE: The Alternatives

War may thus be unavoidable unless Saddam Hussein capitulates, but we still have a large choice in how we use force. The different forms of military power are not fungible; the discrete operational alternatives diverge radically.

One thing is certain--almost mathematically certain: if there is any extensive use of US ground forces, commensurate casualties must be expected.

> Visualize an elegant envelopment operation that cuts off the Iraqi forces in Kuwait, with no costly frontal dislodgement attacks against the minefields, sandwalls, dug-in forces and pre-arranged artillery fires of the Iraqi fortified zone in Kuwait.

> Visualize further highly effective softening up operations by airpower and even naval gunfire perhaps.

> Assume that any major Iraqi counter-stroke is broken by air attacks before it can reach US forces, let alone cut them off from their bases.

> Ignore the possibility that Iranian "Revolutionary Guard" volunteers would join the fighting when the US offensive reaches its necessary end-point at the borders of Iran.

> Ignore the possibility that the hundreds of thousands of Iraqi troops on each side of the US offensive thrust will attempt to converge against it, if only by dribs and drabs, if only to make good a retreat.

> Finally assume that all our equipment works perfectly, that all our operational plans are cunning, that all our tactics are sound.

Having thus constructed the most optimistic of scenarios, allow only the casualties caused by the

incidentals of war: troops stepping on unmarked mines, short fire-fights with stragglers and hold-outs, mechanical accidents, and the ragged fire of some surviving fraction of the huge number of Iraqi artillery tubes. If tens of thousands of US troops are present in the combat units sent into action, even such incidental casualties must amount to several thousand KIAs, WIAs maimed for life, and the inevitable quotient of MIAs.

But then of course such an extreme optimism may be excessive, if only because much US equipment is very new, and has never been tried in combat before; if only because because most US troops have seen no combat before, and no serving US military officer has any actual experience in the conduct large-scale armored warfare (last fought by US forces in 1944), while a spectacularly deep and fast armored offensive would be called for.

For my part, I cannot be reconciled even to the most optimistic of casualty estimates for a ground offensive. That Americans should be killed and maimed by the thousand to achieve ephemeral results in a mere side-show seems to me wholly beyond justification.

If the use of force is nevertheless deemed inevitable, that leaves only the much-maligned Air Option. Much has been heard of the past failures of airpower from assorted pundits and retired military officers. True enough, airpower has always disappointed whenever more than a purely mechanical effect was expected.

>Airpower cannot break the morale of a rigidly controlled population, or perhaps of any population.

>It cannot destroy regimes: they are not physical targets at all. >It cannot kill rulers except by mere chance: to do that not merely the right building must be hit, but the right room, at exactly the right time.

By contrast, airpower alone can annihilate even dispersed and dug-in ground forces, though not cheaply. To destroy, say, 50% of the Iraqi army some tens of thousands of sorties would be needed, in protracted air operations lasting some weeks, and which would entail the loss of dozens of aircraft in operational accidents alone.

On the other hand, bombardment can reliably destroy buildings, including those that contain stored weapons and weapon assembly lines, laboratories, and military repair workshops, including the buildings associated with Iraq's missile, chemical, biological and nuclear ventures. Bombardment can also destroy ammunition depots and PoL storage sites, insofar as they are not greatly dispersed and well camouflaged.

I am not speaking of the fantasy of a "surgical strike", nor of an one-act air strike of any kind, but rather of sustained air operations, with thousands of sorties over several days, to bomb, photograph and bomb again. But even adding the necessary preliminary of defense-suppression sorties against Iraq's air defenses and its modest air force, an air offensive could literally demolish Saddam Hussein's military ambitions within a week or so, and with the loss of not more than a few dozen aircrew at most--each a tragedy but all more tolerable than the thousand of lives that ground warfare must cost. And that loss would also be more tolerable than the far greater number of aircrew that would be lost to execute Close Support and Battlefield Interdiction sorties on behalf of a ground offensive--a use of air power that even the most skeptical pundits

approve of, and which any ground offensive would certainly require by the thousand.

Moreover, airpower can also force Iraqi troops to evacuate Kuwait. They are fed by a daily traffic of hundreds of trucks from Iraqi depots. If that traffic is attacked by air interdiction patrols, the Iraqi troops in Kuwait must either starve in place, retreat to the north, or desert to the south. Comparisons with the US failure to close the Ho Chi Min trail are beneath comment. Trucks on desert roads are entirely more vulnerable than any traffic flowing through jungle trails or even highways. Airpower is indeed terrain-dependent to an exceptional degree, and the terrain of Iraq and Kuwait is exceptionally favorable.

Not that airpower is a panacea. But air operations gone wrong can be called off immediately, while a ground offensive once started cannot be suspended half-way except in disaster. Airpower may only be effective to achieve mechanical effects, and not hypothetical political results, but it would be the appropriately arms's length instrument in a conflict that is very far from central to our national survival. Given the ephemeral results that can be expected in the current Persian Gulf side-show, even the original deployment of ground forces was grossly excessive, and most dubiously motivated by bureaucratic urges, and the President's elective affinities for some of the absolute rulers in the region. The currently expanded ground deployment is even more excessive for either deterrence or defense, but it is its commitment to combat that would be wholly beyond justification in my view.

END

Mr. HAMILTON. Mr. Saunders.

**STATEMENT OF HON. HAROLD H. SAUNDERS, VISITING FELLOW,
THE BROOKINGS INSTITUTION**

Mr. SAUNDERS. It is a pleasure to be back with you again and to have the opportunity to address this present situation. I have given you a fuller statement. I would like simply to emphasize two major points in these oral remarks.

The first point I would put this way. I would like to see our colleagues in government devoting some small portion of the attention that has gone into developing the military options as to developing the options for achieving a political settlement.

President Bush, I think, did state our priorities correctly when he addressed you in the Joint Session. He said then that the highest stake in the current crisis is to use this crisis to develop the new post-Cold War order.

An essential ingredient of that new world order is the capacity to achieve politically and, therefore, peacefully objectives such as blocking aggression. In this new world we must learn that the primary choice is not between war and negotiation. We must learn that there is a wide array of political instruments that can now be used to resolve conflicts without the use of force.

This is not to say that force should not or will not be deployed. Force sometimes must be deployed in order to produce a political settlement. It is to say that when force is deployed as it is in the present situation for the purposes of producing a political settlement, there must then be a political strategy which is every bit as well thought out as the military strategy itself.

My own assumption is that going to war prematurely in the present situation will delay progress toward the new world order that President Bush himself put at the top of our list of interests in this crisis.

Having stated then my notion that we are paying too little attention to the process of political settlement, I would like to talk now second in more detail about what I mean by political settlement.

It seems to me that the present debate focuses at least implicitly on a dilemma that has been created out of our initial reaction to the crisis. Very early the administration laid down two tracks of actions. One was the political economic track fashioned through the UN to produce enforceable economic sanctions.

The second was the deployment of forces to Saudi Arabia in the first instance for the defense of Saudi Arabia against a possible continuation of Iraqi aggression. That military deployment was later expanded to generate an offensive military option.

But we have these two tracks. The political-economic on the one hand and the military on the other.

The problem that we are suffering from at this very moment, it seems to me, is that those two tracks run on different timetables. If one is to pursue the political-economic track to its logical and hoped-for conclusion, one needs time. On the other hand, if one deploys the kinds of forces that have been deployed at the present level without rotation, one creates a much shorter time frame.

The question that Saddam Hussein is waiting to see answered, in my view is whether the United States is going to operate in a short time frame created by impatience and some concern for Kuwait and the suffering of its people, or whether we are going to show the resolve to operate in the longer time frame required by political-economic sanctions. This is what we are struggling with right now.

It seems to me that the problem before the President and the Congress is how to shift gears from the shorter time frame to the longer time frame. If the feeling of the American people is expressed through many Members of Congress, and I would include myself among those American people, it is that we should give economic sanctions their chance, then we need to find a military strategy that runs alongside the time frame that the economic sanctions require.

What do I mean when I talk about a political settlement? A political settlement, in my view, has two main components. First is a picture of the settlement that we could honorably live with. Drawing that picture itself includes two elements. One is a sense of the outer limits of what is acceptable. The second would be a menu of specific elements that could meet genuine needs on both sides.

A second component of the process of moving toward a political settlement is a scenario of steps for moving from here to there. This also requires two elements. One is establishing a time frame that is realistic in allowing the scenario to produce results peacefully. The second is a set of interacting steps designed to erode the obstacles to a peaceful settlement.

Let me deal with each of these in a bit more detail. I said that to start with in building a political settlement, one needs a picture of the settlement that one could honorably live with. I would offer a principle such as the following as the basis for discussion, recognizing that this is debatable. But after all, since it does describe the reasons for which we might go to war, it seems to me an appropriate focus for public debate.

What are we trying to achieve? I would start for the purpose of discussion with the following principle. That Iraq should not get anything in a political settlement that it could not have achieved peacefully.

And I have to hasten to say that in a crisis of this kind, there is one exception to that principle. Kuwait has already been heavily devastated, and no one can bring back those losses. One might rebuild, but no one can replace that loss and no one can replace the costs of the deployments and other actions that have been taken to contain this aggression.

But with that exception, the principle would be that Iraq should not get anything in a political settlement that it could not have gained peacefully.

Some will argue that an aggressor should be allowed to gain nothing at all, whether he could have gained it peacefully or not. They will argue he should be driven back to the point at which the aggression began and kept there. Others might argue additionally for assessing punitive damages or reparations to pay for the devastation in Kuwait, or even the cost of the military deployments. Still others might argue further that the aggressor should be deprived of capability ever to repeat the aggression.

Now, there is both a practical and a moral dimension to this discussion of what the acceptable limits of a political discussion might be. Is it possible to destroy or set back significantly Iraq's chemical or nuclear programs, and at what cost? Could we build barriers against future aggression peacefully? What is the moral justification of a war to destroy a nation's capability if it could be contained by peaceful means?

Another problem people have with this notion of political settlement stems from the fact that it is in the nature of political settlement that the aggressor must be able to claim that he has achieved some important objective. The moment one makes that statement somebody will come back and say, why should we let Iraq claim anything at all? Any appearance that Iraq has gained anything will undermine justice in the new world or will undermine the moral credibility of the United States.

My response to that, again debatable, is that unconditional surrender and punishment are possible options, but there are costs attached to them. Some of those costs, if war is the instrument used to achieve objectives, are lives and treasure. Beyond that, some of the options are delayed progress toward the new world order since one of the aims in that order will be to find ways of keeping order and pursuing justice by peaceful means.

Now, I will not dwell on the menu of items that would have to be covered in a political settlement. We can deal with that in the discussion period. It is laid out in the paper that I offered.

I would simply say that among those elements are the basic requirements which the President has laid down: Iraqi withdrawal from Kuwait, the release of all foreign nationals and the restoration of the territorial integrity and sovereignty of Kuwait. Beyond that, there are ways of addressing the security problems of the area, whether they be Iraq's concern about a devastating American attack or Saudi Arabian fear of future Iraqi aggression.

There are ways of addressing the questions of territorial integrity. Iraq has seized two islands which it claims are essential to guaranteeing its access to the sea. If the problem is access to the sea, there are other ways of providing those guarantees.

Iraq claims that Kuwait has unlawfully pumped oil from reserves that are rightfully Iraq's. That is a question that could be resolved in direct negotiation or with the help of an international commission or the World Court.

There are economic issues that would need to be covered, Iraqi debt, the maldistribution of oil wealth in the Arab world, the open question of when economic sanctions against Iraq should be ended. Some would argue for a continuation of sanctions. It would be appropriate simply to allow those Arabs who have increased their oil production to contribute their windfall profits to some sort of Arab bank for reconstruction and development as in effect Iraq's reparations.

Iraq raised regional issues as part of a military settlement, particularly linking resolution of the Arab-Israeli conflict to Iraqi withdrawal from Kuwait. I believe there is no reason for the formal linkage of those two issues. They are on different time lines. The issues and the problems are different.

However, it is perfectly reasonable for the President of the United States, who is the last in a long succession of presidents to address the Arab-Israeli conflict with some vigor, to say his vision of the future of the Middle East includes redoubling efforts to reconstitute a serious Arab-Israeli peace process simply because it is part of the continuing stream of American policy, not because Saddam Hussein urged it.

This is a brief menu of elements that would be drawn on to put into a possible political settlement. I am not suggesting that any of these would need to be negotiated with the government of Iraq. I rather think this crisis is going to wind down. I do not think its end will be negotiated.

What we are talking about when we talk about a political settlement is to create as an alternative to military action, a new situation which would provide the context within which Iraq might withdraw from Kuwait and to the extent that Saddam Hussein chose to, would permit him to claim whatever he wants to claim about his own success in such a settlement.

Printing a menu is not enough. A second essential component is to devise a scenario of political steps, steps built around elements of the menu that could lead to changes in the situation.

Now let me say that my picture of the first step involves some kind of statement by the President which would go along the following lines. The President can rightly claim that the international coalition which he has led into being has proved to be stronger than anybody visualized.

That gives us more time.

I would hope that the President and the Congress in January, or looking toward January, might fashion some kind of compact that the Congress is willing to stand by the President over a longer period of time in pursuing a political settlement, provided some of the Congress' problems with the use of the military option are in some way satisfied.

I think that would provide the basis for the longer term strategy that is required. I also think that some kind of understanding is essential if this nation is to stop sending mixed signals to Saddam Hussein.

The central problem here is how to persuade the leadership of Iraq to buy into a political settlement; in other words, to withdraw from Kuwait voluntarily because there will be a political situation that they could live with.

I cannot guarantee any method of persuading Saddam Hussein to decide to withdraw. I think we can, however, create a situation that over the long term will be painful enough to give him reason to withdraw.

One of the critical elements that is not now in place in his mind, I believe, is the question of whether the United States has the staying power to last out the longer term strategy. I wish that the Soviet message to Saddam Hussein would have been those Americans came and sat on our borders for 40 years, and they didn't go away. I would like to hear Saddam Hussein get that message.

Now to sustain our presence there for a longer period of time requires the shift in gears in Washington that I have been talking about, a rotational military presence, not a committed presence at

the present high level. That requires some sort of congressional support for a President who is willing to buy into the longer term strategy.

I think it is possible to shift gears in that way. I think it is essential to provide a sense of a united United States Government for Saddam Hussein so that as the sanctions begin to take their toll, however that might be, and we will hear more about that in a moment, that Saddam Hussein would both recognize that the costs will be very high, but at the same time he will be able to visualize a situation that he could live with following his withdrawal.

That is what I mean by a strategy of creating the option of political settlement.

To repeat myself, I wish people in this town would devote one-tenth of 1 percent of the energy that has gone into creating and describing the military options to imagining what a political settlement would look like and imagining a precise scenario of steps for getting there.

In the paper that I submitted, I laid out a suggested menu of steps that might be part of such a scenario. I won't go into those here. I think my simple message is that we need to give equal weight to the political as we do to the military option. The potential to use military force is essential. It may be that the most valuable use of military force is not to use it but simply to use its presence and its potential for producing the political settlement that I am talking about.

Thank you very much, Mr. Chairman.

[The prepared statement of Mr. Saunders follows:]

Harold H. Saunders

Washington Cathedral

November 27, 1990

POLITICAL SETTLEMENT IN THE GULF

Policymaking on the Gulf crisis is at a critical juncture--both in Western capitals and in Baghdad.

When the crisis began, two lines of action were quickly laid down. One was the deployment of military forces to Saudi Arabia--initially for defensive purposes and later to generate an offensive military option. The other was a broad political coalition fashioned through the United Nations, supporting a strong program of economic sanctions.

Now policymakers are facing decisions on how exactly to use those two options in relation to each other. Critical questions arise because the two tracks run on different time lines. The heart of the present decision is whether to operate in a time frame generated by impatience and by the suffering of Kuwait and its people or in the longer time frame required by economic sanctions.

Underlying all calculations are two questions: (1) Which course is more likely to cause Iraq to withdraw from Kuwait? And (2) what are the longer term consequences of each course?

I am confident that the president has on his desk, figuratively, a memo fully outlining his military options. That memo may or may not be accurate in estimating the costs, in explaining how the military action can be brought to an end, or in describing the longer term political consequences. But the memo is there.

I would be willing to bet that the president does not have on his desk a memo outlining a political settlement and possible scenarios for getting there. That is not to say the president has not thought of this; Jordanian, Soviet, French, and other Arab emissaries have raised the subject with him. But I doubt he has a memo systematically laying out his political options and their consequences.

For that reason--and honestly because I strongly favor a political over a military approach--I would like to spend my time this evening talking about the concept of political settlement in the context of this critical moment in the Gulf crisis.

Let me begin by stating quickly four introductory propositions to put the concept of political settlement in a larger context.

Four Introductory Propositions

1. Our greatest interest in the Gulf crisis, as President Bush said in his address to the Joint session of Congress, lies in using it to develop the new post Cold War world order. A basic requirement in developing a new world order is to understand how our changing world

works. Old concepts such as state and power--as we have normally defined them--do not fully explain what we see going on around us. Familiar instruments of statecraft such as military force and negotiation do not reliably produce the results we expect of them. Nations face problems that no one of them can deal with outside relationships with other nations, and the instruments they will use in building and sustaining those relationships will be political--not military.

2. We will not play an effective role in that new world order, if we do not recognize that the nature of power and leadership are changing. If power is the ability to affect the course of events, then power may arise as much from political ability to build, guide, and sustain the political relationships and coalitions necessary to accomplish tasks that no one nation can accomplish alone as it does from military capability or economic capacity. Leadership may lie not in being Number One but in learning to be the first among equals. [In a recent nonofficial dialogue, members of a Chinese group observed: "A problem in the China-U.S. relationship is the residual superpower mentality that prevents the U.S. from treating others as equals." We can also remember all the times we neglected to consult with NATO partners:]

--In putting together the broad international coalition to contain Iraqi aggression, U.S. leadership was probably essential. But now sustaining that leadership will require careful attention to staying within limits that coalition

partners are willing to support, even if that requires accepting constraints on U.S. freedom of action. Unilateral use of U.S. military power could shatter the coalition. Leadership involves being able to fashion common purposes.

3. As the new world order develops, we need to think not of the traditional either/or choice between war and negotiation but also of a broad range of political options that lie between war and negotiation. Those are the options leading to political settlement. Nations are increasingly learning that military force by itself does not solve problems and is very costly. We are also learning that negotiation does not produce change. Until political leaders act to change the political environment, negotiators do not succeed. Change is initiated in the political arena and only crystallized and defined in the negotiating room. There is a wide range of political options in resolving problems that have been neglected. I can imagine the present crisis being wound down through a scenario of interacting steps--perhaps on the basis of some understanding reached through a third party--without a negotiated agreement. This is the arena of the political settlement.

4. Designing and building that new world order require us not just to give lip service to the old notion that war is a last resort. We have to devote all creative energy to imagining new ways of producing a peaceful political settlement. I am asking that we devote a small portion of the energy that goes into military planning to imagining

and designing possible steps toward political settlement. As I understand them, colleagues in the U.S. government are not writing these memos because they are afraid they will send the wrong signal to Saddam Hussein if they leak to the press. I know from experience that leaks can be prevented. What I worry about is that no one seems to be thinking as systematically about the political options--the scenarios for a political settlement--as they are about the military options.

What is at stake in this crisis, above all, is to demonstrate that aggression can be blocked and the integrity of nations protected by forming relationships in the international community that inflict a cost on the aggressor without inflicting the costs of war on themselves.

What, specifically, would be involved in political settlement?

The Concept of Political Settlement

To begin, political settlement involves two main components:

--First is a picture of the settlement we could honorably live with. Drawing this picture itself includes two elements:

- +a sense of the outer limits of what is acceptable
- +a menu of specific elements that could meet genuine needs on both sides

--Second is a scenario of steps for moving from here to there.

This also involves two elements:

- +establishing a time frame that is realistic in allowing the scenario to produce results peacefully

+steps specifically designed to erode obstacles

Let me develop each of these thoughts in turn in the current context.

Elements of a Settlement We Could Live With

Outer limits. I would begin discussion of the outer limits of a settlement by offering a principle such as the following: Iraq should not get anything in a political settlement that it could not have achieved peacefully. Aggression should in no way be rewarded.

This formulation is subject to honest discussion and refinement:

- Some will argue with reason that an aggressor should be allowed to gain nothing at all, whether he could have gained it peacefully or not. They will argue that he should be driven back to the point at which the aggression began and kept there.
- Some might argue additionally for assessing punitive damages or reparations to pay for the devastation in Kuwait or even the costs of military deployments to contain the aggression.
- Some would argue further that the aggressor should be deprived of capability ever to repeat the aggression.

There is both a practical and a moral dimension to the discussion. Is it possible to destroy or set back significantly Iraq's nuclear or chemical programs--and at what cost? Could we build barriers against future aggression peacefully? What is the moral justification of a war to destroy a nation's capability if it could be contained by peaceful means?

Another problem people have with this approach stems from the fact that it is in the nature of political settlement that everyone must be able to claim that he has achieved some important objective. When I said that in another audience recently, someone responded sharply: "Why should we let Iraq claim anything. Any appearance that Iraq has gained anything will undercut justice in the new world order--and will undercut the authority of the U.S." My response--again debatable--is that unconditional surrender and punishment are possible options, but there are costs attached to them. Some of those costs if war is the instrument used to achieve the objective are lives and treasure. Some are also costs in delayed progress toward the new world order since one of the aims in the new world order is to find ways of keeping order and pursuing justice by peaceful means. An aggressor can claim what he wants to claim; the world will make its own judgments.

The debate around this point is not unfamiliar. We repeat it here at home every time we argue the relative merits of prison versus prevention and rehabilitation programs in dealing with domestic crime.

Menu of specific elements. The menu of issues to be covered in a political settlement combines three sets of requirements: (1) Most important are steps ending the aggression. (2) Some must respond to needs or aims that prompted the aggression in the first place. (3) Others must respond to larger issues raised in the course of the confrontation. I must emphasize that this is a menu of elements that might become part of the overall situation that emerges from the

crisis--not necessarily all elements to be formally agreed with Iraq or even recorded in any formal document. In a political settlement of the Gulf crisis these are the subjects that could be dealt with:

--Basic requirements. Iraqi withdrawal from Kuwait, release of all foreign nationals held against their will, restoration of the territorial integrity and sovereignty of Kuwait.

--Security. Guarantees against attack in all directions. These could include assurances that coalition purposes are limited to achieving the basic requirements and do not extend to changing the Iraqi regime or destroying Iraq's military establishment. They would also need to include provision for a U.N. force on the Iraq-Kuwait border and either a U.N. or Arab force on some or all of the other Iraqi borders with Saudi Arabia, Jordan, Syria, Turkey. (They are already on the Iranian border.) It would remain an open question whether big power forces--European, Soviet, U.S.--should be involved.

--Territorial integrity. Two issues: (1) Iraq has seized two islands, claiming they are necessary to assure Iraq's access to the sea. (We can leave open whether the real motive is denying access to Iran.) One can imagine reiteration at the U.N. of the rights of nations in international waterways and a U.N. peacekeeping unit stationed on the islands. (2) Iraq claims that Kuwait has unlawfully pumped oil from reserves that are rightfully Iraq's. That is a question that could be resolved in direct negotiation or with the help of the World Court or an international commission.

--Economic. Three issues: (1) Iraqi debt to Arab neighbors, particularly Kuwait and Saudi Arabia, was an issue under negotiation before the war. (2) Iraq has also raised the question of the maldistribution of oil wealth in the Arab world. One could foresee the creation of an Arab Bank for Reconstruction and Development with voluntary contributions from oil producers. (3) The open question would be when the embargo on export of Iraqi oil would end. It would be conceivable to keep it in place with those Arab countries donating their windfall profit to the new bank as, in effect, Iraqi reparations.

--Regional issues. Iraq has called for resolution of other conflicts in the region in resolving the Iraq-Kuwait dispute. Practicality argues, in my view, that formal linkage should be avoided; each conflict is on a different time line. However, two suggestions have been made for responding to this point: (1) At a minimum, statements could be made at the U.N. or in capitals that our vision of the future of the Middle East includes reconstituting the Arab-Israeli peace process and redoubling efforts to resolve outstanding conflicts and border disputes. (2) More formally, proposals have been made for an international conference along the lines of the Congress of Vienna after the Napoleonic wars in Europe to discuss those grievances and sources of conflict left over from the imperial era. If this proposal were pursued in some way, one could imagine its taking place in an Arab forum, in a U.N. forum, or in a larger international context.

Not all of these issues would be dealt with in the same way or at all. They are stated as items on a menu.

But printing the menu is not enough. A second component is essential to producing a political settlement. That is devising a scenario of political steps--steps built around elements in the menu--that could lead to changes in the situation.

Scenario

Let me say just a word about the idea of "scenario." I have found this a useful device in three ways:

--First, one can lay out analytically a scenario describing how events might unfold under certain circumstances. In this case, one could think of a scenario over 12-18 months without military action, or one could think of a scenario beginning with military action and then laying out the situation that might exist after four weeks and beyond. In this use, the scenario is simply an analytical tool, but it can be used to identify some of the critical obstacles to producing a situation that we might prefer to the present one.

--A second use of the scenario builds from the first. If one identifies a destination where one would like to arrive and the obstacles to getting there, one could lay out a list of those obstacles and of steps to remove or erode them. Then one could begin to see how those steps might interact. If one party could start with a small step, perhaps the other might respond

with another, and so on. As those steps proceed, they change the political environment and the direction of events.

--Finally, a scenario in the hands of a third party can become a set of thoughts to talk from and even a repository of promises by the parties. The scenario never needs to be agreed formally; it simply needs to produce action.

In the Gulf crisis, a critical point in any scenario is to create the moment when Saddam Hussein decides that his present course is too costly and begins to explore a non-military way out. Experience suggests [e.g., USSR in the Cold War, Egypt in the Arab-Israeli conflict, Iran in the hostage crisis, USSR in Afghanistan] that we may well not know enough about the internal dynamics of a state's policymaking processes to design the catalyst that will produce that decision. Sometimes the best we can do is to structure a particular framework around the situation to make it painful to continue and then to provide an alternative situation that offers a way out of the confrontation.

Framework. In the Gulf crisis, the framework was developed almost immediately through a series of U.N. resolutions, economic sanctions, instruments for enforcing the sanctions, broad international political and economic support, and the deployment of defensive military force to protect Saudi Arabia against a continuation of Iraqi aggression. Later, development of an offensive capability to liberate Kuwait was added.

Channels of communication. As soon as the shape of a framework comes clear, some parties must be willing--and the world must accept them as performing a necessary service--to talk with the parties to understand the elements of a possible political settlement. In the Gulf crisis, Jordan and the PLO tried early to play that role but--leaving aside blame--they were largely discredited. The U.N. Secretary General and the president of France also took their turns. The Soviet government has put itself in a position to provide that channel and even to emerge as a third party. Other Arab governments could be pressed into service. The task is not to mediate formally but to produce informally a possible scenario of steps that might provide a peaceful wind-down of the crisis.

Particular steps. Without exhausting the possibilities, one could imagine some of the following playing a role:

--First, whether or not the U.N. Security Council passes a resolution authorizing the use of force or keeps it under discussion, one could envision President Bush taking the following position in mid-January as the new Congress is convened: The international coalition has proved far stronger and more durable than originally envisioned. Members have stated their willingness to maintain the pressure on Iraq over a sustained period. Members of Congress, in consultation with the president, have expressed willingness to stand by the president over a prolonged period in enforcing sanctions and providing a defensive shield for Saudi Arabia. We intend to keep alive the capability to liberate Kuwait militarily but

want to give the sanctions a chance to work. Therefore, we will establish a rotational program for our troops, and the Congress will be supportive. The president might also restate readiness to participate in energetic efforts to reconstitute the Arab-Israeli peace process and to deal with the region's longer term security and economic problems. The point would be to demonstrate the staying power for the long haul of both the U.S. Congress and people and of the international coalition.

--Following that statement, Iraq might release all hostages without conditions or delay, allowing international flights to land in rapid sequence to take everyone out quickly.

--Members of the U.N. Security Council might act formally or informally to amend the list of items presently prohibited from shipment to Iraq to include medicines and perhaps some food items--a humanitarian list.

--In response to the U.N. action, Iraq might repeat its offer to discuss with representatives of the International Atomic Energy Agency a program for inspection of its nuclear facilities.

--A neutral country such as Finland after consultation with the five permanent members of the U.N. Security Council and with key states in the Middle East might invite representatives to Helsinki for a preparatory discussion of forming a Committee on Security and Cooperation in the Middle East. [Some private organizations are already trying to develop such a process on a nonofficial level. Baskets could include arms reduction and

control, human rights, borders and security.] The important point at this stage would not be to design the outcome but to put the possibility in the air.

--The Arab League might announce (1) a group to plan creation of an Arab Bank for Reconstruction and Development and (2) a commission to consult with the World Court on resolving jurisdictional disputes between Iraq and Kuwait.

--The U.N. Security Council could begin informal consultation on organizing a U.N. peacekeeping force (1) to guarantee against aggression in either direction after Iraqi withdrawal from Kuwait and (2) to guarantee freedom of navigation through the international waterway.

--Some rotation of U.S. troops might begin in the context of a plan to sustain a major force over a longer period.

Actions such as these and others that could be imagined would create a menu and the beginnings of a scenario of interacting steps that might lead toward a wind-down of the crisis. We would not need to write Saddam Hussein's script for him. We would need to make clear that a partial meeting of the basic requirements would not be enough.

My purpose in providing this illustration of the beginnings of a scenario lies not in its specifics. My purpose is to illustrate a way of thinking--a way of thinking and strategizing that has every bit as much merit as the planning of a military campaign. If our strategy is a full court press, why should it not include these elements as well

as those designed to make clear that the military and economic options will continue to cost Iraq dearly?

Some will say such an approach will send the wrong signal right now. My response is that Saddam Hussein has heard the cries of impatience from U.S. leadership and the counsel of deferring military action from the Congress. That is a mixed signal, and he may opt to wait and see whether U.S. resolve will underwrite military action. A scenario of this kind could be devised to demonstrate precisely that the U.S. with global and domestic support is shifting gears so as to sustain the pressure over the long haul.

A Concluding Word

In concluding, let me make these points:

--My message is not an objection to the deployment of military force. It offers a way of sustaining the military threat over the longest possible period of time without necessarily using it. The word I wish the Soviets would pass to Saddam Hussein is that the U.S. and its allies sat on Soviet borders for 40 years.

--My message is not that the U.S. is no longer powerful enough to deploy and use military force. My message is that U.S. power and leadership lie, in addition, in demonstrating the ability to build, lead, and sustain the international relationships and coalitions necessary in today's changing world to deal with problems that no one nation can deal with alone.

--My message in pragmatic form is that old ways of thinking and the familiar instruments of statecraft will not work as we expect them to. I am talking about what will be effective, not what would be nice.

--Finally, I cannot refrain from saying in this great cathedral that focusing on political settlement rather than on just war or fair negotiation requires refocusing the agenda for ethical dialogue. My approach requires us to think about the ethical issues raised if we no longer think in terms of the old model of states amassing military and economic power to take what they want or to pry it loose at the negotiating table. It requires us to think of the ethics that apply when one thinks of relationships among nations as a political process of continuous interaction among significant elements of whole bodies politic.

The agenda in building the post Cold War order is a large one. We have the political ability to meet this challenge if we can begin thinking of ourselves as a first among nations equal in dignity--or to use the sports metaphor, as the quarterbacks of a large and effective team. Those are the abilities this nation needs to develop and demonstrate if we are to remain a great nation as we move toward a new century and a new era in the lives of the community of humankind.

Mr. HAMILTON. Thank you, Mr. Saunders.
Mr. Clawson.

**STATEMENT OF PATRICK CLAWSON, EDITOR OF ORBIS, AND
RESIDENT SCHOLAR, FOREIGN POLICY RESEARCH INSTITUTE**

Mr. CLAWSON. Mr. Chairman, it is an honor to appear before this distinguished committee.

The sanctions are making Iraq poorer day by day. The Iraqi economy is slowly being hollowed out. The diet of the Iraqi people has already suffered markedly, with a drop of at least 25 percent in calories consumed per day.

The sanctions are also making the Iraqi army less capable of fighting. Iraq faces a quandry: either the army keeps up its maneuvers, in which case the stock of spare parts is depleted, or else the army stops maneuvers, in which case the soldiers get rusty. Either way, the military's fighting ability declines daily.

While the sanctions are making Iraq poorer, we cannot be confident that the sanctions will cause Saddam Hussein to change his policies. Permit me to cite three problems.

First, the sanctions cause a slow deterioration, not a dramatic crisis. The effect of the sanctions are being felt bit by bit, not in any one sudden shock. A good analogy would be a car that gradually falls apart: one day the wipers break, the next week the windows won't roll down, the next week the trunk won't open, but the car still works, so it is hard to decide to junk it.

Like that car, Iraq's economy will slowly disintegrate. Life in Iraq will become harder, but vital services like water and electricity will remain more reliable than in Iraq's poor neighbors, such as Jordan or Syria.

The most critical moment in 1991 will be in the late spring. The Moslem holy month of Ramadan starts March 18, and during that month Moslems will fast by day but feast after sundown. Typically Ramadan is a period of more heavy consumption, especially luxury food stuffs, meats and sweets.

The Iraqi Government will be hard put to provide the foods needed for the feasting while simultaneously setting aside enough to last until the June harvests of the wheat and barley crop.

That interval between the start of Ramadan and the harvest in June will be a very difficult moment for Iraq. But I think that with their available stocks and with the rationing now in place and with the small amounts being smuggled in, Iraq will last until the harvest, in which case they will have enough food for at least six months and possibly for another nine months; that is, until mid-winter of 1991-1992.

Of course, Saddam Hussein could always turn to the international community and accept the conditions that have been imposed by the United Nations for food imports, but he finds those conditions to be humiliating. He does not wish to accept them for his own domestic purposes. And I think he will do a great deal to avoid giving in to conditions that international agencies must supervise the distribution of food in Iraq.

Second, Saddam Hussein has shown that he cares more about his political goals than about his people's well-being. Saddam has sys-

tematically implemented stupid socialist policies that have kept Iraq poor. For 2,000 years until the land reform of the late 1950s, Iraq exported food—indeed it was a granary of the Middle East. The area is known as the Fertile Crescent.

It is intriguing that a country so richly endowed with agricultural resources now depends on imports for food. Under the idiotic agricultural policies of the Iraqi Baath Party, cereal production has actually declined.

Saddam knows full well what is needed to make Iraqi agriculture bloom. Twice in the last 15 years, when he was in difficult straits, he has loosened the socialist tourniquet on the farmers and in each case, the results have been spectacular: cereal output more than doubled in the space of one year.

But Saddam then gradually reimposed controls because he cares more about keeping a tight grip than he does about economic prosperity. Given this track record of lack of concern about how well the economy does, it is very optimistic to think that Saddam will change his policies because his people are suffering.

Third and most important, the rate of deterioration of the Iraqi economy has to be compared to the rate of decline in U.S. public support for intervention in the Gulf. Saddam Hussein has good reason to think that he is winning the time tradeoff game, that American public support is weakening more quickly than his economy is collapsing.

When the sanctions were imposed in August, it was clear that the key question would be how long would the U.S. and the world community be prepared to keep troops in the desert, which is vital for backing up the sanctions.

If Saddam thinks that our resolve is weakening and that our military will leave before he pulls out of Kuwait, then Saddam will sit tight even if his people are on the edge of starvation.

Iraq can survive the sanctions for many months if its people can be made to reduce their standard of living. But the price is terrible: the hopes and dreams of the Iraqi people are being destroyed by the stubborn refusal to do now what will eventually be inevitable, namely, to withdraw from Kuwait.

I think we all hope that economic sanctions will persuade him to make that withdrawal, but I think it would be imprudent to assume that economic policies alone will be successful.

WHAT IS RIGHT AND WRONG WITH U.S. POLICY

Mr. HAMILTON. Thank you very much.

[The prepared statement of Mr. Clawson follows:]

The Impact of Sanctions on Iraq
Testimony of Patrick Clawson 1/

November 28, 1990

The sanctions are making Iraq poorer day by day. The Iraqi economy is slowly being hollowed out. The diet of the Iraqi people has already suffered markedly, with a drop of at least 25% in calories consumed.

The sanctions are also making the Iraqi army less capable of fighting. Iraq faces a quandry: either the army keeps up its maneuvers, in which case the stock of spare parts is depleted, or else the army stops maneuvers, in which case the soldiers get rusty. Either way, the military's fighting ability declines daily.

While the sanctions are making Iraq poorer, we can not be confident that the sanctions will cause Saddam Hussein to change his policies. Permit me to cite three problems.

First, the sanctions cause a slow deterioration, not a dramatic crisis. The effect of the sanctions are being felt bit by bit, not in any one sudden shock. A good analogy would be a car that gradually falls apart: one day the wipers break, the next week the windows won't roll down, the next week the trunk won't open, but the car still works, so it is hard to decide to junk it. Life in Iraq will become harder, but vital services like water and electricity will remain more reliable than in Iraq's poor neighbors, such as Jordan or Syria.

The most critical moment in 1991 will be in the late spring. The Moslem holy month of Ramadan starts March 18, and during that month Moslems will fast by day but feast after sundown. The Iraqi government will be hard put to provide the foods needed for the feasting, while simultaneously setting aside enough to last until the June harvests of the wheat and barley crop. If Iraq lasts until the harvest, it will probably be able to last until mid-winter 1991/92 without giving in to the conditions set by the international community for food imports.

1/ Patrick Clawson is editor of Orbis and Resident Scholar at the Foreign Policy Research Institute. He was previously a senior economist at the World Bank and at the International Monetary Fund, where he was desk officer for Kuwait and Iraq in the mid-1980s. His recent publications include "Iraq's Economic Vulnerability" and Unaffordable Ambitions: Syria's Economic Crisis and Military Build-Up, both from the Washington Institute for Near East Policy.

Second, Saddam has shown that he cares more about his political goals than about his people's well-being. Saddam has systematically implemented stupid socialist policies that have kept Iraq poor. For two thousand years until the land reform of the late 1950s, Iraq exported food -- indeed it was a granary of the Middle East. Under the idiotic agricultural policies of the Baath Party, cereal production has actually declined. Saddam knows full well what is needed to make Iraqi agriculture bloom. Twice in the last 15 years, when he was in difficult straits, he has loosened the socialist tourniquet on the farmers and the results have been spectacular: cereal output more than doubled in the space of one year. But Saddam then gradually re-imposed controls, because he cares more about keeping a tight grip than he does about economic prosperity. Given this track record of lack of concern about how well the economy does, it is very optimistic to think that Saddam will change his policies because his people are suffering.

Third and most important, the rate of deterioration of the Iraqi economy has to be compared to the rate of decline in U.S. public support for intervention in the Gulf. Saddam Hussein has good reason to think that he is winning the time tradeoff game, that American public support is weakening more quickly than his economy is collapsing. When the sanctions were imposed in August, it was clear that the key question would be how long would the U.S. and the world community be prepared to keep troops in the desert, which is vital for backing up the sanctions. If Saddam thinks that our resolve is weakening and that our military will leave before he pulls out of Kuwait, then Saddam will sit tight even if his people are on the edge of starvation.

Iraq can survive the sanctions for many months if its people can be made to reduce their standard of living. But the price is terrible: the hopes and dreams of the Iraqi people are being destroyed by the stubborn refusal to do now what will eventually be inevitable, namely, to withdraw from Kuwait.

Gentlemen, we will begin the question session here with the usual five-minute rule.

I would like to begin, just to have you set out your position with respect to present policies, what you think is right and what you think is wrong.

What is right and wrong about our goals that we have, what is right and wrong about the strategies, the deployment, the sanctions, what you think about the U.N. resolutions. In other words, give me a quick critique of present policy, what is good about it and what is bad about it.

Mr. CLAWSON. I am not shy.

Mr. HAMILTON. We give you extra credit when you speak up first this morning. All right.

Mr. CLAWSON. I think if President Bush were to speak more forcefully and directly about being prepared to stay for a long time, it is more likely that Saddam Hussein would regard the sanctions seriously.

So, were I in Mr. Bush's shoes, I would be saying to the American people that we may be there for a long time.

Mr. HAMILTON. Do you support the deployment of forces?

Mr. CLAWSON. I think it is very unlikely Saddam Hussein would be impressed by the sanctions if there were not a lot of forces there.

Mr. HAMILTON. You ended your statement with a curious statement which was not in your written text, that it would be imprudent to think that you could depend on sanctions. What do you mean? Do you think we will have to go to war?

Mr. CLAWSON. Without the force, I don't think some of the neighboring governments would enforce the sanctions. I don't think the Jordanians would be cooperating so much in enforcing the embargo if it were not for large presence of American forces in the region.

Mr. HAMILTON. You think they will be there a long time?

Mr. CLAWSON. If we are prepared to sit for 40 years as we did in Europe, Iraq would become a very poor place.

Mr. HAMILTON. Do you think they will take 40 years?

Mr. CLAWSON. Forty months quite possibly.

Mr. HAMILTON. You support the deployment. You support the effort to get the U.N. resolutions?

Mr. CLAWSON. Absolutely.

Mr. HAMILTON. Do you support the goals that have been laid out in the U.N. resolutions?

Mr. CLAWSON. The goals in the U.N. resolutions have been quite minimal. The debate we hear in the American public is how much further we should go.

I like the idea of having as our stated goals the absolute minimum and making it clear the goals will escalate the longer we stay so Saddam Hussein knows the longer we stay the more problems he has.

If he stays another six months, we will talk more about reparations and war crime tribunals. That gives him the motivation to settle now rather than wait.

Mr. HAMILTON. But you support the restoration of the Kuwaiti Government?

Mr. CLAWSON. As the minimal acceptable.

MR. SAUNDERS' CRITIQUE OF POLICY

Mr. HAMILTON. Mr. Saunders.

Mr. SAUNDERS. First of all, there has been a confusion in the statement of goals. We have heard everything from protecting the American way of life, the American economy, on over to building the New World Order.

As I said in my statement, I would accept the President's statement that building the New World Order, as he said in his speech to a joint session of Congress, is priority one. I would endorse that, but I would not endorse the confusion and mixed signals we have heard through the plethora of statements that have come out.

I think there has been a lack of clarity, but the right goal has been put at the top of the list.

Second, I think the laying down of the two tracks the President has laid down has been appropriate. Certainly the root of economic sanctions has been necessary, and I think the initial defensive deployment to Saudi Arabia necessary.

What it strikes me as being wrong with the military deployments has been the last move to increase their size without the building into the increase the possibility of rotation which is essential to preserving that military presence there for the long haul.

Mr. HAMILTON. You support the four goals the President laid out on August 8: get out of Kuwait, restore the Kuwaiti Government, stability and security in the Gulf and, of course, the protection of American lives?

Mr. SAUNDERS. I would, with one qualification. I would state the goal that regards the restoration of Kuwait as restoring the territorial integrity and sovereignty of Kuwait. I am not sure that it is up to the United States to state what the government of Kuwait should be. It seems to me that that is the business of some kind of political process within Kuwait.

Mr. HAMILTON. Do you support the U.N. resolutions?

Mr. SAUNDERS. Yes.

Mr. HAMILTON. Do you support the deployment?

Mr. SAUNDERS. Yes. As I said, the deployment for initial defensive purposes at the lower level and any increase on a rotational basis, not as the President originally presented it, non-rotational.

Mr. HAMILTON. How can you reconcile supporting the forces for defensive purposes and at the same time say that Saddam Hussein has to get out of Kuwait? In order to make the strategy credible to get him out of Kuwait, don't you have to have the military forces there to achieve that goal?

Mr. SAUNDERS. There is nothing that precludes us now or in the future of having a force there that could do that. My problem is the President has created the force to get Iraq out of Kuwait before he has given the other track, the sanctions tack, a chance to play out.

The President even expressed greater impatience with Saddam Hussein at the beginning of November before he had the prospect of a full military deployment beginning in January.

Mr. HAMILTON. How do you correct that?

Mr. SAUNDERS. As I suggested, I would like to write the speech for President Bush sometime in January that he shift gears to a

longer time frame that says we are going to vary the level of our forces here so we can sustain them over the long haul.

They will go up and down. Others can come in and join us. And we will have the force necessary to liberate Kuwait, but we are going to give peaceful instruments every chance to succeed.

I am simply arguing that we settle ourselves down for the longer haul and stop the erratic quality of the pronouncements and successive deployment that bring all this to a head before the basic line of approach has had a chance to play itself out.

MR. LUTTWAK CRITIQUES POLICY

Mr. HAMILTON. Mr. Luttwak?

Mr. LUTTWAK. I think there was no choice but to act in response to the original invasion. Then there was a very important choice, whether the United States would proceed by deterrence or by defense as far as protecting Saudi Arabia or whatever is concerned.

For 40 years around the world we have not responded to threats of aggression by sending vast expeditionary armies. We have instead used deterrents. We would inform Mr. Saddam Hussein, we are sorry you invaded Kuwait. Meanwhile, if you move into Saudi Arabia, we will bomb you.

The way the decisions were made, on the back of golf carts by a President who seems to have an affiliation with rulers in the area with whom he finds himself comfortably intimate. The President has not had a full, sit-down meeting with the Joint Chiefs since August. As far as I know, the Chairman of the Joint Chiefs has not had time to brief the President. This is not the way it should be.

The first option that was foreclosed was that of protecting Saudi Arabia by deterrence. Instead we sent in the expeditionary army. Then we had a choice, small or big army.

I believe in order to enforce the subsequent economic sanctions against Iraq which I think are cumulatively physically effective in the manner described, whether or not they induce changes of policy, in due course they will effect a change in the status of Iraq to make it less threatening.

I think to support the sanctions, what you need on the ground was enough ground strength to block any quick armored move for the few hours it takes for air powers to interfere. We are talking about smaller forces than the 200,000. Certainly the forces we could have had there, defensively, waiting out the sanctions indefinitely, while our national policy has been focused, the President with the likes of Yemen and Syria could have remained in stirring this country economically.

Mr. HAMILTON. So the deployment, in your view, has been excessive?

Mr. LUTTWAK. It was excessive for the purpose of making the sanctions work.

Mr. HAMILTON. Do you support the U.N. resolutions?

Mr. LUTTWAK. Yes, I think it was a wise thing to do. In my view, the President discovered, having rushed in with boyish enthusiasm three weeks later, he discovered the New World Order.

Mr. HAMILTON. How long do you think it will take the sanctions to put enough pressure on Saddam Hussein to get out of Kuwait?

Mr. LUTTWAK. Every day the sanctions work. They work more effectively even than bombing Iraq, to let it go through the excessive inflows of armaments and disorder.

Mr. HAMILTON. Mr. Hyde?

NEED FOR BURDEN-SHARING AND TROOP ROTATION

Mr. HYDE. Well, I have been greatly illuminated by the statements of the three witnesses today. I think they have addressed these very difficult problems with great intelligence.

I agree totally that the doubling of our military presence in Saudi Arabia has painted us into a very difficult corner. You cannot keep 450,000 American troops at ready in the Saudi desert indefinitely. We have timetables being imposed upon us by the weather, Ramadan, and other reasons.

Clearly one of the great flaws in the American character is its impatience. We have seen that in so many ways. We demand instant gratification, whether it is in our television programs or in our international undertakings.

The 40 years or more in NATO was very important. We kept that coalition together, too, because they all had an interest in its survival.

It seems to me we cannot bring back 200,000 troops without having them replaced by other personnel. So our efforts ought to be, in addition to working on this political settlement with as much enthusiasm and interest as possible, we have to work out some rotation that involves additional burden sharing by the coalition.

We need more Moroccan, Egyptian and British soldiers so that we can rotate what we have there and get our presence down to a more manageable, for the long haul, structure, rather than teetering on the brink of war.

So I would hope we can rotate our people without diminishing the size or the efficacy of the presence there because I agree that is absolutely necessary to get Saddam Hussein to take very seriously what we are doing.

But I think we have to move toward lessening our physical presence there without diminishing the totality of the presence there against Saddam Hussein. I hope that can be done.

I agree, I think a war is absolutely the least feasible option. But on the other hand, I think the stakes are very high. I don't derogate this as a backwater of the world, with some two-thirds of the world's petroleum reserves there, granted the instabilities that are inherent in that part of the world, and granted the outcome of this present conflict is not going to result in a new dawn of stability in the Middle East.

This New World Order may have very little of the Middle East in it although that incubation period seems to be where it is at now. But it is important. It is important to the world's economy.

We have responded perhaps with too much enthusiasm, but we have to deal with this now in a way that does not lessen the pressure on Saddam Hussein and maintains the integrity of our commitment.

Mr. Luttwak?

PROBLEMS OF BURDENSARING

Mr. LUTTWAK. On the question of the substitution of the 200,000 troops, we all understand that the build-up, including such things as a non-sustainable number of aircraft carriers, is a bridge-burning exercise. It would take a change of policy to seek allied substitution. But if you did do that, please look at the current lineup of allied forces. Except for an embarrassing redundancy of symbolic frigates sent from Argentina and Denmark, there is really not that much there. We have a relatively small force from Egypt and Syria, not very large, a division or such.

Mr. HYDE. May I interrupt?

Mr. LUTTWAK. Yes.

Mr. HYDE. All these events teach us something. One thing we have learned, is what to our dismay but a valuable lesson, that none of these countries have the logistics so that they can participate. We have the trucks and ships, and they don't.

Mr. LUTTWAK. I am sure the countries are very happy that Syria does not have the logistics to send forces into this zone. All I am saying—of course, this is a very good idea that you offer—let's go back from a non-tenable build-up to a sustainable build-up by preventing our loss of face.

Mr. HYDE. Personnel burden sharing?

Mr. LUTTWAK. Yes. Given the little we have obtained by way of contributions since August, 200,000 would be hard to find.

About oil, you take it for granted that it is in the interest of the United States to insure cheap oil from the Persian Gulf. This has been repeated unthinkingly since August. Nobody has examined the alternatives.

Mr. HYDE. It was President Carter who first enunciated that.

WHY DOES THE U.S. NEED CHEAP OIL

Mr. LUTTWAK. Throughout the political time with our struggle with the Soviet Union, it was essential to support cheap oil. Otherwise, we would be vulnerable to the Soviet Union.

Today it is automatic that it is still in our interest to assure cheap oil for our cheap economic competitors. If we are going from geopolitics to geoeconomics, I believe somebody has to sit down and calculate.

Perhaps the United States, which is only 50 percent import dependent, even at present prices, would benefit from having no oil flowing from the Persian Gulf, let the area burn, and have us be in a better position relatively than the countries which are the hundred percent imported oil dependent.

I am not an expert. I would not assert answers to this question, but I think we have unthinkingly continued with the geopolitical reflection on these statements which were true for 40 years but may not be true today.

The question is whether it is fitting that the prosperity and stability of the entire civilized world should rest on sources of a commodity coming from a place like that, a strategic slum of the world. These questions bear examination. I have seen no examination.

Mr. HAMILTON. Mr. Lantos.

WHY SANCTIONS AGAINST IRAQ ARE NOT WORKING

Mr. LANTOS. Thank you very much.

I want to commend all three of our guests, and I would like to make a few preliminary observations.

May I say at the outset that I find Dr. Luttwak's many ideas nothing short of brilliant and in some ways exciting and revolutionary.

Let me begin by saying what I suspect during the wars of Carthage Cicero had to say at the very beginning of the debate: before I talk about anything else, first let me stipulate that Carthage should be destroyed.

Like any other rational human being, I too, prefer a rational solution. Having said that, let me set it aside and say that the incantation for the diplomatic solution I don't think solves the problem. It obfuscates the problem. Anybody who says he prefers a non-diplomatic solution is ready for an insane asylum.

So let's set that issue aside. I think that is a red herring of really no substance and no value. It sort of degrades and debases the debate.

I must say that when the Chairman pressed you, when you said 40 years and you, in my view, erroneously repeated to the phrase, "40 months," you were correct in the first place.

I just visited Albania a few months ago as the first American public official there in 51 years. I must say that it will take more than 40 years for living conditions in Iraq to fall to the level of living condition in Albania. Therefore, the notion that it will take three months or six months or nine months or 12 months to force Saddam Hussein to give up, I find absurd.

The Iraqi people, under a variety of regimes, have lived under far worse circumstances than would come about after 10 years of the sanctions and the embargo. I think it takes a very parochial and provincial view that assumes that unless elevators don't take you up to the 77th floor in 12 seconds that the country simply cannot function.

The notion that economic sanctions are working so well, I find is a very naive notion. These people can survive for a long, long time with the embargo and with the economic sanctions, far longer than the American public opinion would remotely contemplate that it will continue the build-up we now have in the area.

So the notion that time is working in our favor I find nothing short of an absurd notion.

As I listen to the various negotiated and diplomatic settlements being advocated, I find it interesting that the issue of how to save Saddam Hussein's face is being raised. The suggestion is absolutely incredible in view of the horrors he perpetrated against the people of Kuwait, and in view of the nightmare he perpetrated against the hundreds of thousands of destitute people from the Phillipines and Bangladesh, who have spent years working there as indentured servants trying to scrape a little something together so their families at home would not starve to death.

Not since the likes of Pol Pot and Stalin and others has anyone caused suffering like this man has. To view him as a diplomatic interlocutor, as a fellow with whom you sit down and negotiate the

modalities with which this thing can be accommodated, I have difficulty dealing with.

I find myself in strong agreement with Mr. Luttwak, that the arena is fundamentally unstable, and is likely to remain unstable for a long time. Therefore, to look for a solid permanent solution is unrealistic, which makes his approach of—and I have not used the term “surgical” because I fully agree with you—using massive air and naval power, extremely rational.

What is relevant is to destroy or dismantle. The dismantling requires Saddam Hussein’s agreement, the destruction does not.

To destroy the full spectrum of his biological, chemical and increasingly more threatening nuclear capabilities, there is no point in speculating as to whether this morning’s story that it is three months or four months or 12 months before he has nuclear weapons is very relevant. Whatever the time frame, sooner or later he will have a nuclear capability.

Now what is wrong with his having a nuclear capability is that he has so far used every single weapon of the most horrendous destructive capability that he had. To assume that he would not use nuclear weapons I find not very credible.

Saddam Hussein used poison gas both against Iran in the war and against his own Kurdish citizens. We saw the piles of bodies of women and children which appeared on the cover page of Newsweek, and this Committee has received a great deal of testimony and evidence of these facts which makes me convinced that he is fully prepared to use nuclear weapons the moment he gets them.

Had it not been for the Israeli destruction of his nuclear plant in 1981, we would have had the use of nuclear weapons in the war against Iran, and we would have had the threat of the use of nuclear weapons in the present crisis.

I simply would like to ask Mr. Saunders and our other two distinguished panelists, how do you view a scenario which does not include the dismantling or destruction of all of Saddam Hussein’s weapons of mass destruction without Saddam Hussein being capable with new oil revenues of again developing them?

No internationally watertight arms embargo is feasible. With enough money, he will get whatever he wants to get because he has been getting it in the past, and he will continue to get it in the future.

How can we contemplate the future without the effective dismantling and destruction of all these weapons of mass destruction? How can we anticipate anything but a renewal of his intimidation, threats, defacto control of much of this area?

There are two other things I would like to mention, Mr. Chairman. I know we are running over time a bit.

When we talk about reparations, the typical notion is that you are talking about reparations involving Egypt or Jordan or Turkey. I came back yesterday from Central and Eastern Europe. There are literally billions and billions of dollars of reparations that Saddam Hussein’s action calls for with respect to all of the newly independent countries of Central and Eastern Europe, but equally importantly, these nations are in danger of missing a fleeting historic moment of becoming full-fledged democracies because of the economic hardships imposed upon them by Saddam Hussein’s actions.

So I anticipate both the Saudis, with their vast windfall gains, and Iraq fundamentally a very wealthy county, and Kuwait because of its wealth, to be responsible for tens of billions of dollars to Central and Eastern Europe that this crisis has created.

The danger in several of these countries of the fledgling democracies going down the drain and new totalitarian regimes taking their place is very great indeed.

The final comment, of course, is merely to express my appalling disappointment at the failure of Japan and the large number of other nations to even begin to pretend that they have any responsibility in dealing with this crisis.

There ought to be enough muscle left in the United States to exact penalties for such a sickening evasion of global responsibility by some of the wealthiest nations on the face of this planet.

I would be grateful if our guests would comment at this point.

INSTRUMENTS OF A SUCCESSFUL POLICY

Mr. SAUNDERS. Since you addressed your initial thoughts to me, I will begin to respond. It would be nice if we had one instrument that could accomplish the objectives you laid out, getting Iraq out of Kuwait, dismantling the Iraqi military, et cetera.

You expressed your disbelief that economic sanctions could be that instrument. I would express my questions as to whether military force would be that single instrument.

Mr. LANTOS. Nobody is advocating a single instrument, Mr. Saunders. I am not.

Mr. SAUNDERS. Then we are on the same wave length on that point.

The thought that leads us to is the notion that you need some combination of some instruments that in effect quarantine this aggressor. I use the word "quarantine" because it is the only thing I can think of to do with people like Quadafi and now Saddam Hussein.

Now, the question is, what are the most effective ways of bringing about a limitation or dismantling of the chemical and nuclear potential of Iraq?

I am not a military expert, but my understanding is, for instance, that we have a different problem in the nuclear field today from the problem in the 1981 when Israel was able to go and bomb one particular facility, that the Iraqi capacity is now dispersed.

We don't know where half of those laboratories are, et cetera.

DESTRUCTION VERSUS AN INTERNATIONAL REGIME TO CONTROL IRAQI WEAPONS

Mr. LANTOS. Which means that destruction becomes all the more mandatory; doesn't it, because if they let in atomic energy agents to one place and they come back saying we found nothing, that surely doesn't give you immediate assurance that they are not building it 100 miles away.

Mr. SAUNDERS. But are we more unlikely by some kind of bombing program to destroy those facilities, or is it conceivable that the International Atomic Energy Agency would develop a series of in-

spections, a long-term presence, a probing into where those facilities are?

Would it not be worth putting some attention into that and would that not be perhaps more sustainable over time than the one-time bombing of some portion of the facilities?

Mr. LANTOS. Those two could take place seriatim. First destroy everything you know is there, and then establish an on-site inspection regime so nothing develops.

I don't view these as mutually exclusive.

Mr. SAUNDERS. I don't know the answer, how effective we could be in destroying the facilities that might be there. On the chemical side, they are even more difficult to deal with.

I am wondering whether, however we come out of this crisis, the problem of the 1990s is not how to establish a persuasive and intrusive kind of inspection that will at least begin the process for controlling the proliferation of these weapons.

The other thing I worry a little bit about in terms of the military strike is: is this the principle we are going to apply with other countries who possess these weapons? Nobody, least of all the gentlemen sitting at the panel here, would propose dealing with Israel's nuclear weapons or Brazil's in this way.

Mr. LANTOS. The fundamental difference between some countries possessing weapons of mass destruction versus others possessing the same capabilities is that some countries have shown their willingness to use them.

Iraq has used every weapon of mass destruction it has developed. Other countries have not done so. No one is advocating taking out France's nuclear capabilities, because, to the best of my knowledge, France has not attacked anybody with its nuclear weapons.

Mr. SAUNDERS. Without disputing that point, the point I am making is, how do we design an international regime that says this person may use them, that person probably won't?

You can cite the record, but what about the future? I would much rather than concentrating, not relying primarily on the destructive capacity but on the other. I know any kind of international inspection regime or whatever—heaven knows, we all realize how tenuous and fragile that would be. It is easier to plan a bombing campaign.

NUCLEAR AND CHEMICAL WEAPONS ACQUISITION

Mr. LUTTWAK. Nuclear weapon acquisition, as we all know, can proceed on different technical tracks. As we contemplate the alternatives between bombing and the control regime, one has to differentiate between the tracks.

The Israeli bombing of the nuclear reactor at Osarik did not destroy just a building. It also closed a whole track of development.

Before that bombing, France was going to provide the reactor and the nuclear fuel much more than the kilos now in Iraq. They were going to provide hundreds of kilos which would have allowed Iraq to make the weapons.

After the bombing, France was no longer willing to provide the reactor. Today, however, because of the bombing, it was not a one-

time thing but very successful. It has put Iraq on the centrifuge track.

I am not an expert, but the centrifuge track involves several hundred, perhaps more than a thousand units working in parallel. A reactor is doing a job with a powerful ox. It is like using 1,000 chickens harnessed.

It appears Iraq has only a relative few chickens. Therefore, bombing these centrifuge installations and having a control regime or not bombing the centrifuge are very similar as far as that track is concerned.

Chemical weapons is a different problem. Unless the existing facilities are destroyed, then Iraq will be in the possession of substantial capabilities which it could rebuild under whatever controlled regime.

So it goes. This is not an ideological question. It is a technical question. But I think we must.

Congressman Lantos, differentiation is not the weapons but those who have them. That makes all the difference in the world. I think in the future, if they are absolute, they must cover armaments, and I think it should apply to the entire region.

I am curious to see the Administration talking about New World Order and talking about the other.

NO REALISTIC PROSPECT OF STOPPING IRAQI CHEMICAL WEAPONS

Mr. CLAWSON. I am afraid there are no realistic prospects of our being able to stop Iraq from rebuilding their chemical weapons industry. It is one of the world's largest producers of several of the precursor chemicals.

I don't see how we could stop Iraq from rebuilding those biological and chemical weapons capabilities unless we insist Iraq would be de-industrialized. I think the most effective way to be sure they don't use them is to see a regime change in Iraq.

As Mr. Luttwak quite brilliantly pointed out, that cannot be done by air strikes. It would have to be enforced either by a ground war or a long, long patient effort.

I accept that my 40 months effort may be a minimum and not a maximum.

Mr. HAMILTON. Mr. Levine?

IMPACT OF THE SAUDI ARMS SALE ON THE "NEW WORLD ORDER"

Mr. LEVINE. I, too, want to compliment all three witnesses. I found all your testimony to be informative and helpful.

I want to particularly single out Dr. Luttwak's testimony. Not just today but frankly for years I have found his thoughts and comments not just to be refreshing but extremely useful in terms of helping my analysis of a number of issues.

Dr. Luttwak, I want to follow up two points you made. I should preface my question by saying this: I want to support the President in general in foreign policy and in these policies in particular. But I must confess that there are so many aspects both of his decision-making process which you alluded to, and at least the appearance of his premises, that disturb me.

The more I see of both, the process and the premises disturb me greatly. I am very troubled by where he is going with regard to policy and process. It causes me to reflect substantially about his policies.

The first is the one you mentioned in closing, the President talking about a New World Order on the one hand and pouring weapons on the Saudis on the other.

I am baffled how this Administration thinks it is going to move toward stability in what they repeatedly refer to as the first crisis of the Post Cold War Era, while they want to arm to the teeth nations in that region with weapons that bear no relationship to the current crisis.

The notion that a \$22 billion sale of arms to Saudi Arabia was so absurd on its face that the Administration had to withdraw \$15 billion of the proposal. But I take it they intend to come back with that.

I would be interested in your assessment of how this massive injection of arms the Administration thinks is so essential to the new Post Cold War Era will affect that era; and secondly, what you think President Bush's vision of the Middle East is, both today and in the future.

Mr. LUTTWAK. On the second point, Hal Saunders knows more about these things than I do. I would not impute any sinister plans to the plan. I would impute no plans at all.

We have seen day-to-day decision-making, reacting to impulses, setting up scenarios for the next 24 hours. The other is his strong and evident personal affiliation with King Hussein and the Saudi ambassador. These are all people the majority of Americans would find excessively insulting but with whom he seems to be terribly comfortable and intimate.

Mr. Lantos, in talking about negotiating, said that Saddam Hussein is a very cruel person because of the fact that he caused the tragedies of these hundreds of thousands of Bangladesh and Syrian deaths. Our ally, Saudi Arabia, has dispossessed hundreds of thousands of Yemenis merely because the government made statements the Saudi Government didn't like. They threw them out, robbed them, interrupted their lives.

In this context, the arms supplies have come about because there is a terrible insecurity in Saudi Arabia. It has nothing to do with the possession of weapons. It has to do with the possession of competent military forces.

The Saudi regime does not wish to have competent forces because they would be a threat to the regime. However, there is a surface plausibility to the notion that if you ship weapons somewhere they translate into military power. We all know they do not.

Second, there was a calculation that the Saudis were making an additional \$180 billion a day, incremental because of the higher oil prices and larger output, and this is a way of getting the money back.

In this case, I believe that we can recycle directly. We are protecting them. We should be at least paid for the service without having to supply symbolic weapons.

SAUDI ARABIA SHOULD PAY MORE TO SUPPORT U.S. FORCES

Mr. LEVINE. Just on that point. I don't mean to interrupt you, but this has been troubling me very much throughout this episode. Why does it not make sense, in light of the fact that the Saudis are making some 180 million additional dollars a day, for the Saudis to be paying considerably more for this operation than they are? Shouldn't there be some kind of mechanism to ensure that the Saudis pay their fair share?

Mr. LUTTWAK. I think perhaps we should provide calculators to our senior officials. What has happened is they go there. The Saudis apparently talk to them, giving them \$2- or \$3 billion. They do not calculate what the funding involved is here.

The fact is that Saudi Arabia, the Saudi family can be accused of many things, but not being politically unwise. It has been their political wisdom that Saudi Arabia cannot have large military forces. Therefore, they have chosen to have a small army and a large militia of loyal battling fronts. This is the same situation in Libya before the Qadhafi coup.

I note further under current plans, the Saudi army will be tripled in size and will be far more heavily armed than the Bedouin militia. It seems to me that the enthusiasm of militarization may dislodge one of the bases of this regime that so many people seem to be so attached to.

NEED TO REVIVE RESTRAINTS ON MIDDLE EAST ARMS SALES

Mr. LEVINE. It is your judgment then that rather than having some type of a vision for the Middle East, and I would be interested in Mr. Saunders' view of this as well, that the President is responding much more on the basis of a personal affiliation—

Mr. LUTTWAK. Emotionally. We have seen this emotionalism in the cold contempt manifested toward Israel, the same emotionalism toward Saddam Hussein in the first instance. He is not a nice man, but he is not different from Hafez Asad of Syria.

Mr. LEVINE. You properly contrasted the President's extremely warm and friendly views to the Saudi royal family with, as you put it, his cold contempt for Israel. What in your view explains the President's apparent antipathy for Israel? Is that personal as well?

Mr. LUTTWAK. I am not a psychoanalyst, but I will say this. In the past when we committed large forces overseas, President Eisenhower, when he contemplated the Indochina deployment in 1954, President Eisenhower was not lacking in military experience. Yet he did not make a decision about the hurried consultations with the Chairman of the Joint Chiefs. He heard views, assembled an enclave. We have this emotionalism intruding because of the manner in which decisions are made in which personal whims and dislikes and sentiments are so important.

What I am concerned about is there are maybe other dangers from this cold contempt. Again I would like to hear other views on this. But the same manner in which our forces are now committed in this huge number and which may be involved in combat, all of this is one phenomenon. The arms, the supplies of arms of which you are so rightly concerned, evidently nobody remembers in the

present administration that there used to be once a tripartite alliance, a tripartite agreement to deny weapons to the entire region.

I would earnestly ask to consider and ask the Congress to consider the revival of that concept which worked well until the Soviet Union stepped in and broke the restraint. I remembered personally the denial of all arms to all countries from Morocco to Bangladesh without exception. We would deny to ourselves, we would negotiate with the Soviet Union. We would have to appease the Chinese one more time, probably bribe the Brazilians and shame the British and the French, but I think this is doable and far better than to ship in these billions of dollars of weapons.

What I see the conjunction of the Apache helicopter, which the Marine Corps rejected as too complex with Abu Dhabi, I think of those analogies like jewelry on cows. These weapons, while they do not come to meet the security of our allies, can as we have seen in the case of Kuwait itself, appear on the opposite side.

We have HAWK missiles deployed against our air power in Iraq. It was a Cold War aberration that brought about the supply of heavy armaments.

Mr. HYDE. Would the gentleman yield for a second?

PRESIDENT DRIVEN BY PERSONAL CONSIDERATIONS

Mr. LEVINE. If I could respond quickly. I share your conclusion, at least in its broad form. I believe it is extremely important for us now to try to move this multinational effort into one of arms control in the region rather than proliferating ever more dangerous arms into the region.

What troubles me so deeply both about your testimony and about what appears to be the reality of what is happening, is that it appears we have a President who is so driven by personal considerations and by personal reactions and by his friendliness on the one hand to the royal family in Saudi Arabia, his antipathy to the Israeli leadership on the other hand, that it dramatically alters traditional policy assumptions of the United States. This policy seems to be driving us into a situation in the region that is going to do the absolute opposite of what you are suggesting in making it considerably more difficult for us to move toward stability.

I would be interested in your thoughts as to how this particular President, who clearly appears to be so driven by these personal considerations that outweigh longstanding policy considerations, can be encouraged to do what you are suggesting?

Then I would be happy to yield. Let me ask for an answer and then I would be happy to yield.

Dr. Luttwak?

CLOSENESS OF U.S.-ISRAELI RELATIONS

Mr. HYDE. He may want to answer what I say as part of his answer.

Mr. LEVINE. Okay.

Mr. HYDE. I must register my own dismay at what I have just been hearing. Cold contempt. I wonder what a warm friendship would cost in terms of billions of dollars every year not to mention a litany of credits and debt forgiveness.

Our relationship with Israel is closer than with any country in the world economically, politically, congressionally. To refer to that as cold contempt boggles my mind.

Now, arms to the region, if you want to stop arms to the region, I assume you are exempting Israel.

Mr. LUTTWAK. You assume wrongly.

Mr. HYDE. Then they buy it somewhere else.

COMPREHENSIVE RESTRAINTS ON ARMS PURCHASES

Mr. LUTTWAK. I am saying, let us not follow Saddam Hussein's lead in turning this Persian Gulf crisis into, to shift it over to an entirely different issue.

What I said, I stand by. Namely, I would favor a policy where the United States would negotiate with the Soviet Union and with all other parties that want to negotiate a denial of all weapons that are listed as any weapon illegal for private citizens to hold in respective country, to all countries from Morocco to Bangladesh. Only because in Latin America de facto there is not a government that spends any weapon except for our friend in Cuba. None of these governments spend money on equipment. All of these governments have successfully avoided wars. Again, there are no arms races, there is no conflict.

Mr. HYDE. As long as there is a demand, there will be a supply.

Mr. LUTTWAK. There is a big difference between the linkage of outdated howitzers and maybe reconditioned fight from North Korea and the massive flow of weapons into the area which has a principal effect of denying us the kind of cheap colonial options that we ought to have against these backward countries.

If we have an arms denial policy, Belgium ought to be able to land an expedition, land in the Persian Gulf and march to Baghdad. That is the natural order of things that only the Cold War changes.

UTOPIAN IDEAS AND SAUDI FRIENDSHIP

Mr. HYDE. Let me stop trespassing on my dear friend's generous allocation of time just to say two things. I couldn't agree more. That would be utopia. It reminds me of my own personal predilection on gun control; when they invent that magnet where they press the button and all the guns from everybody, the criminals, the police and the huntsmen, when they all get stuck up on that great big magnet in the sky, I am for it. But I don't think we will ever see that.

Lastly, Saudi Arabia is not just a fiction of international friendship. The Saudis have been most useful; despite all their faults and their problems, their lack of democracy, they have been most useful members of the international community in many areas of the world providing help and support that doesn't get the publicity that perhaps some day it will. Afghanistan—

Mr. LUTTWAK. It has been publicized where they get their money from. Arms denial is not utopia when we consider it was only the exceptional circumstances of the Cold War that brought about this strange deviance from normal international conduct.

Undeveloped countries did not get large armaments until the Cold War. The Cold War is over. They should not get them anymore.

LACK OF IMAGINATION IN THE ADMINISTRATION

Mr. LEVINE. I know between Mr. Hyde and I, I have exceeded my time by a considerable amount of time.

If I could ask Mr. Saunders to comment on his view on what the President's vision, if he has one, is of the Middle East both before and after this crisis. I would be very interested in hearing that.

Mr. SAUNDERS. First of all, for once I come before this committee not as a presenter of the President's points of view or an apologist for them. I think they are pretty ad hoc. I welcome the opportunity to respond to your point by saying there are a lot of imaginative ideas in the Washington community about things that could be done in the Middle East for purposes of arms control.

What Mr. Luttwak is talking about is, how does one impose a supplier's embargo? That is one of a different number of ideas. What it requires is a picture in the minds of senior officials that this world doesn't work the way the Cold War world works or it doesn't work the way the world worked before the Cold War. This is a different kind of world.

I don't think our senior officials have stopped to think about how this world works and the opportunities that it presents to do things politically, not militarily, not in other ways, but politically. I don't think that vision is in the President's mind. I think it is a very ad hoc policy.

REPLACEMENT OF ISRAEL WITH SAUDI ARABIA AS STRATEGIC LINCHPIN?

Mr. LEVINE. Beyond the issue of arms, does it appear to you as it does to me that the President is seeking to replace Israel with Saudi Arabia as the principal linchpin of the United States of the Middle East?

Mr. SAUNDERS. I don't think his policy goes that far. When I said it is a pretty ad hoc policy, I think he is working with the Saudis because that was the country threatened by potential aggression.

The United States has always walked a very fine line between its undeniable, fundamental, human, political commitment to Israel on the one hand and the interest that we have in oil from the Persian Gulf and in the previous era, the interest we had in moderate friends who would resist communist intrusion into the area. We have walked that line. I think for the most part we have walked that line rather carefully and without any fundamental damage to Israeli security.

One could argue certain points. Fundamentally the commitment to Israel has been there. I think we have abided by it.

I don't think the President has switched to an alliance with Saudi Arabia in place of the alliance with Israel. We have always had two cockpits of conflict in that part of the Middle East. One has been the Gulf and one has been the Arab-Israeli arena. I think we tried to deal with them on their individual terms without letting the two intrude on each other.

I think the President's attention is riveted on the Gulf now. Before that he was focusing heavily and tried to reconstitute the Arab-Israeli peace process. I think the two are separate.

HAS U.S. POLICY TOWARD ISRAEL BEEN CONSTRUCTIVE

Mr. LEVINE. In closing, Mr. Chairman, I would like to ask Mr. Luttwak and Mr. Saunders if they feel that the extent to which the President has distanced himself from Israel both publicly and privately has been constructive. Has it been, A, necessary in terms of our relationships with our coalition partners? B, how has this impacted our relationship with Israel and our general overall policy throughout the Middle East?

Mr. SAUNDERS. I forget whether it is you or Mr. Hyde who spoke about understanding the tactical need perhaps to not be too close publicly with Israel in the middle of working out this crisis. I guess we all can understand that. I don't know that there has been exhibited a contempt of Israel that in any way intrudes on the fundamentals of that relationship.

I think that if the President is disillusioned with Israel, it has nothing to do with the current crisis. It goes back to the point when he and Secretary Baker were trying to reconstitute the peace process. In his eyes, the Israeli government was unable to respond.

I think again we are on two different tracks here. There is an irritation that came out of another situation that has gotten confused with the need for some kind of public distance in the current situation. I would keep those apart if I possibly could. I wouldn't attribute too much to the President.

ADMINISTRATION HAS ISOLATED ISRAEL

Mr. LUTTWAK. I think Mr. Saunders is completely right in saying the actual state-to-state, nation-to-nation relationship between the United States and Israel and many other countries is broad.

The reason why the emotions, the adjectives, the style, the tone are important here is only because we are in a crisis where sometimes the fundamentals don't have time to intervene. People will act instantaneously and will do so conditioned by the emotional atmosphere.

The fact is the Israelis have been threatened by Saddam Hussein several times. Of course, in municipal existence, if somebody heavily armed and with a record of using these weapons threatens you in this way, this has certain consequences. I cannot but help thinking that if one U.S. concern doesn't want Israelis to lash out the next time they are threatened, as they are entitled to do, of course, then you don't want them to feel isolated and beleaguered.

The Bush administration has, in my view, gone out of its way to make them feel isolated and beleaguered because the notion that all this is required by way of additional deference to the proclivities of Saudis and others really doesn't stand out. The Saudis are quite cold-blooded about things when they are involved. They are perfectly willing to accept realities. I think there is a tendency of excessive deference not just the same with regard to the rules imposed on our troops.

I am concerned that in a crisis because they feel that they can't hit the telephone and speak with the President the way all the rulers around them do, here is a President who talks very—likes to talk on the phone, only they cannot talk to him, when faced by a threat, they will act differently than if they were more reassured. This is crisis management. We have a crisis manager.

Don't you feel there is some sense in this notion that the atmospherics don't affect the fundamental structure relationship, but it could affect crisis conduct?

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

CONCLUSION

Mr. HAMILTON. I have a statement from Richard Murphy, "Seven Steps to Contain Iraq." Without objection, I would like to enter that into the subcommittee's record.¹

Mr. HAMILTON. Gentlemen, let me express my appreciation to you. I had about 50 questions up here. I have asked one of them. I have 49 to go, but we have run out of time.

You have been excellent witnesses. We are delighted to have had you. Thank you for your contribution.

The subcommittee stands adjourned.

[Whereupon, at 12:15 p.m., the subcommittee adjourned.]

¹ See Appendix 10.

THE PERSIAN GULF CRISIS

U.S. Policy Toward the Persian Gulf

TUESDAY, DECEMBER 11, 1990

HOUSE OF REPRESENTATIVES, COMMITTEE ON FOREIGN AFFAIRS, SUBCOMMITTEES ON ARMS CONTROL, INTERNATIONAL SECURITY AND SCIENCE, AND ON EUROPE AND THE MIDDLE EAST,

Washington, DC.

The subcommittees met at 9:18 a.m., in room 2172, Rayburn House Office Building, Hon. Lee H. Hamilton (chairman of the Subcommittee on Europe and the Middle East) presiding.

Mr. HAMILTON. The meeting of the subcommittee will come to order.

The Subcommittee on Arms Control, International Security and Science and the Subcommittee on Europe and the Middle East meet today in open session to discuss the Persian Gulf crisis.

The subcommittees would like to examine a number of issues, including: United States policies and deployments in the Persian Gulf; the effectiveness of the sanctions against Iraq; implications of the upcoming U.S.-Iraqi talks; what the Iraqi leaders and Saddam Hussein are likely to agree to; views of the Gulf crisis in the Middle East; and implications of this crisis for the political, economic and social map of the Middle East.

Our witnesses today are: Graham E. Fuller, Senior Political Scientist, Rand Corporation, and former CIA National Intelligence Officer for Near East and South Asia; Jerrold M. Post, M.D., Professor of Psychiatry, Political Psychology and International Affairs, George Washington University; and Laurie Mylroie, Research Fellow, Center for Middle East Studies, Harvard University.

We welcome you before the subcommittee. Any prepared statements you have will be entered into the record in full. I would like to ask that you limit your opening remarks to five to ten minutes, so that we may turn quickly to questions.

Any of my colleagues have statements?

If not, we will begin with the testimony.

Dr. Post, you may begin.

STATEMENT OF JERROLD M. POST, M.D. PROFESSOR OF PSYCHIATRY, POLITICAL PSYCHOLOGY AND INTERNATIONAL AFFAIRS, GEORGE WASHINGTON UNIVERSITY

Dr. Post. This is one of those unique moments in history when the personality and political behavior of one key actor are of crucial significance. The answers to many of the questions with which

this committee is grappling lie in the perceptions, motivations and decision making of Saddam Hussein. I will summarize the salient aspects of the political psychology profile of Saddam Hussein that I have developed in an attempt to start laying a foundation for these questions.

The label "the mad man of the Middle East" has often been attached to Saddam. This is really quite unfortunate. It is not only erroneous, but dangerous.

The term implies he is mad and unpredictable. Saddam, in fact, is a judicious political calculator, who is by no means irrational but is dangerous to the extreme.

The extremities of Saddam's violence and actions over the years are justified by the pursuit of what he calls "the exceptionalism of revolutionary needs". As I have studied the life course and political history of Saddam, this is really a rationalization for a life long pattern of Saddam, namely, anything is justified that serves the needs and messianic ambitions of Saddam Hussein. It was Saddam's Uncle Kairallah who inspired Saddam and started laying the foundation for his dreams of glory to be one of the Middle East's and one of the world's great leaders.

It is important to understand that his uncle taught Saddam a view of history with which he was deeply imbued that is central to the Ba'ath ideology, namely, the lack of social justice in the Arab world is caused by foreign invasions.

He taught him first that it was the Ottomans, then the Western mandates, then the oil monarchies under the control of the Western imperialist powers. And, finally, the establishment of the Zionist entity.

The solution to these problems is to expel the foreign invaders and have a unified Arab nation under the lead of one strong man. Saddam believes he is destined to be that strongman leader.

Among his heroes are Nasser, Tito, Castro, Ho Chi Minh and Mao Zedong, but particularly Nasser. He was 15 when Nasser led the Free Officer's Revolution in Egypt. He believes he is the rightful heir to the leadership mantle of Nasser as pan-arab leader.

Saddam's uncle taught him his hatreds and in 1981, Saddam republished his pamphlet, "Three Whom God Never Should Have Created: Persians, Jews and Flies." In the service of his revolutionary needs, Saddam has been willing to eliminate any individual, any nation that gets in his way if he is an impediment, no matter how loyal that individual or nation has been in the past.

We might note Kuwait was a strong supporter of Iraq during the Iran-Iraq war. There is another important aspect of this revolutionary opportunism. In particular, it is very important to consider that when he has miscalculated, he has on a number of well-documented occasions been able to reverse himself and withdraw, the first example of note being 1982. Having initiated the war with Iran, and finding that it was counterproductive, he moved to stop the war. Khomeini would have none of it, of course.

Of particular importance for understanding the present situation is 1988 at the inconclusive end of the Iran-Iraq war when having control over the disputed Shatt al Arab waterway, he vowed he would never yield that waterway to Iran.

On August 15 he gave Iran everything they wanted, including control over the waterway, when he needed those 500,000 troops to move into Kuwait. Never is a short time in Saddam's lexicon if revolutionary pragmatism dictates.

I think it is particularly important to remember this in contemplating his vow never to leave Kuwait. I might note this same pattern of pushing a policy quite far but then reversing it when it proves counterproductive can be seen in the recent decision to reverse the hostage policy. If he is rational, as I have suggested, why is it that he does miscalculate? There are two basic reasons.

One, he has a quite imperfect view of the West. He has only been out of the Middle East twice as best as I can tell: a brief trip to Paris in 1976, another trip to Moscow. His only sustained contact with non-Arabs has been with the Soviet military advisers.

More importantly, he is surrounded by a group of intense loyalists who are cowed by his reputation for brutality and in effect will not criticize him or constructively disagree with him.

Thus, this combination of being surrounded by sycophants and having an imperfect view of the West is one of the things that contributes to the potential for his miscalculating and misinterpreting situations.

Saddam has a very dangerous personality. I have indicated already that the only basics of loyalty Saddam has is to Saddam Hussein. He does not have a paranoid psychotic outlook, but he does have a paranoid view of the world.

He justifies his aggression as being required by the enemies around him. To be sure, he is indeed surrounded by enemies at this point. But he sees his aggression as defensive, required by the enemy surrounding him.

Moreover, there is no limit to the aggression that he will use when he feels in danger.

A couple of notes on the implications of his psychology for the current situation. Details of these policy implications are found in my statement.

Saddam has unbounded drives for power. But throughout all of these years he has been obscured in the shadows of such prominent personalities as Khomeini and Sadat as examples.

Now for the first time in his 22 years of leadership, he is exactly where he is supposed to be, at the very center of world power, the world fastening on his every word. When he speaks in a bellicose fashion, the Dow Jones average drops 100 points. This is a very heady trip.

Moreover, he is demonstrating a central value of the Ba'athist ideology which is fused with his own ambitions. Namely, he is courageously defying the West. In particular, the "imperialistic" United States and George Bush.

He attempts to cast this struggle in a highly individualistic and personalized manner. When he succeeds in doing this, this is positive for Saddam's standing among the Arab masses. On the other hand, this stings a great deal when it is the civilized world vs. Saddam, because his reputation as a respected world leader is extremely important to him. Saddam will only leave if he believes that his reputation and his power base will be destroyed unless he does.

Contrary to some of the statements that he has a Masada complex and would rather die than yield, this is not true. This man is the quintessential survivor. He is someone who is pragmatic to the extreme.

If he believes that the only course he has to preserve his power is to leave, he will do so.

On the other hand, he will only leave if he believes that his power and reputation will be preserved if he does leave.

One must think beyond the immediate crisis. If Saddam does withdraw, this will not be the end of his drive for power. It will only be a temporary deflection. Saddam has a well demonstrated pattern of using time as a weapon and can return in two years, five years, stronger than ever. And keeping in mind his well-demonstrated desire for a nuclear weapons capability, this has particularly dangerous implications.

If Saddam believes he is backed into a corner, this can be particularly dangerous. So it is very important that there be a clarification that to withdraw is not going to mean further aggressive attempts towards him. When he believes he has no way out, this is a man who can lash out with extreme violence using whatever weapons are at his disposal in what would surely be a bloody and tragic final act to this drama in which this aspiring world class political actor is starring.

Thank you.

[The prepared statement of Dr. Post follows:]

Jerrold M. Post, M.D.
Professor of Psychiatry, Political Psychology
and International Affairs
The George Washington University

This is one of those unique moments in history when the personality and political behavior of one key political actor are of determinative significance. The answers to many of the key questions with which this committee is grappling depend upon a clear understanding of the the motivations, perceptions and decisionmaking of Saddam Hussein. To provide a framework for this complex political leader, a comprehensive political psychology profile has been developed.

Saddam Hussein, President of Iraq, has been characterized as "the madman of the Middle East." This pejorative diagnosis is not only inaccurate but is also dangerous. Consigning Saddam to the realm of madness can mislead decisionmakers into believing he is unpredictable when in fact he is not. An examination of the record of Saddam Hussein's leadership of Iraq for the past twenty two years reveals a judicious political calculator, who is by no means irrational, but is dangerous to the extreme.

Saddam Hussein, "the great struggler," has explained the extremity of his actions as President of Iraq as necessary to achieve "subjective immunity" against foreign plots and influences. All actions of the revolution are justified by the "exceptionalism of revolutionary needs." In fact, an examination of Saddam Hussein's life and career reveals this is but the ideological rationalization for a lifelong pattern: all actions are justified if they are in the service of furthering Saddam Hussein's needs and ambitions.

Saddam Hussein was born in 1937 to a poor peasant family near

Tikrit in central Iraq. His father died before he was born, and in keeping with tradition, a paternal uncle married his mother. From early years on, Saddam, whose name means "the fighter who stands steadfast," charted his own course and would not accept limits. When Saddam was only 10, he was impressed by a visit from his cousin who knew how to read and write. He confronted his family with his wish to become educated, and when they turned him down, he left his home in the middle of the night, making his way to the home of his maternal uncle Kairallah in Tikrit.

Kairallah was to become not only Saddam's father figure but his political mentor as well. Kairallah had fought against Great Britain in the Iraqi uprising of 1941 and had spent five years in prison for his nationalist agitation. He filled the impressionable young boy's head with tales of his heroic relatives- his great grandfather and two great uncles - who gave their lives for the cause of Iraqi nationalism while fighting foreign invaders. Kairallah, who was later to become governor of Baghdad, shaped young Hussein's world view, imbuing him with a hatred of foreigners. In 1981, Saddam republished a pamphlet written by his uncle entitled "Three Whom God Should Not Have Created: Persians, Jews, and Flies."

Kairallah tutored his young charge in his view of Arab history and the ideology of nationalism and the Ba'th party. Founded in 1940, the Ba'th party envisaged the creation of a new Arab nation defeating the colonialist and imperialist powers and achieving Arab independence, unity and socialism. Ba'th ideology, as conceptualized by its intellectual founding father Michel Aflaq,

focused on the history of oppression and division of the Arab world, first at the hands of the Ottomans, then the Western mandates, then the monarchies ruled by Western interests, and finally the establishment of the Zionist entity.

Inspired by his uncle's tales of heroism in the service of the Arab nation, Saddam has been consumed by dreams of glory since his earliest days. He identifies himself with Nebuchadnezzar, the King of Babylonia who conquered Jerusalem (586 B.C.) and Saladin who regained Jerusalem in 1187 by defeating the Crusaders.

Saddam was steeped in Arab history and Ba'thist ideology when he traveled with his uncle to Baghdad to pursue his secondary education. The schools were a hotbed of Arab nationalism which confirmed his political leanings. In 1952, when he was 15, Nasser led the Free Officer's revolution in Egypt and became a hero to young Saddam and his peers. Nasser, as the activist leader of Pan-Arabism, became an idealized model for Saddam. From Nasser's model he learned that only by courageously confronting imperialist powers could Arab nationalism be freed from Western shackles.

At age 20, inspired by Nasser, Saddam joined the Arab Ba'th Socialist Party in Iraq and quickly impressed party officials with his dedication. Two years later, in 1958, apparently emulating Nasser, Iraqi Army General Qassem led a coup which ousted the monarchy. But unlike Nasser, Qassem did not pursue the path of socialism and turned against the Ba'th party. The 22 year old Saddam was called to Ba'th party headquarters and given the mission to lead a five man team to assassinate Qassem. The mission failed, reportedly because of a crucial error in judgment by Saddam.

Saddam's escape to Syria, first by horseback and then by swimming a river, has achieved mythic status in Iraqi history. Saddam went to Egypt during this period of exile to study law, rising to leadership ranks in the Egyptian Ba'th Party. He returned to Iraq after 1963 when Qassem was ousted by the Ba'ths and was elected to the National Command. Michel Afaig, the ideological father of the Ba'th party, admired young Hussein, declaring the Iraqi Ba'th party the finest in the world and designating Saddam Hussein as his successor.

Envious of his fellow Ba'thist Hafez al Assad's success in taking control of Syria, Hussein confronted the new Syrian Ba'th leadership in a party meeting in Iraq in 1966. The split and rivalry persists to this day, for there can be only one supreme Arab nationalist leader, and destiny has inscribed his name as Saddam Hussein.

Hussein mounted a successful coup in 1968 with the crucial secret assistance of military intelligence chief Abdul Razzas al Nayef. In gratitude for services rendered, within two weeks Hussein had arranged for the capture and exile of Nayef, and subsequently ordered his assassination.

This act was a paradigm for the manner in which Saddam has rewarded loyalty and adhered to commitments throughout his career. Commitments and loyalty are matters of circumstance, and circumstances change. If an individual, or a nation, is perceived as an impediment or a threat, no matter how loyal in the past, that individual or nation will be eliminated violently without a backward glance, and the action will be justified by "the

exceptionalism of revolutionary needs."

Nothing must be permitted to stand in "the great struggler's" messianic path as he pursues his (and Iraq's) revolutionary destiny, as exemplified by this extract from Saddam Hussein's remarkable "Victory Day" message of 8 August

This is the only way to deal with these despicable Croesuses who relished possession to destroy devotion... who were guided by the foreigner instead of being guided by virtuous standards, principles of pan-Arabism, and the creed of humanitarianism....The second of August ...is the legitimate newborn child of the struggle, patience and perseverance of the Kuwaiti people, which was crowned by revolutionary action on that immortal day. The newborn child was born of a legitimate father and an immaculate mother. Greetings to the makers of the second of August, whose efforts God has blessed. They have achieved one of the brightest, most promising and most principled national and pan-Arab acts.

Two August has come as a very violent response to the harm that the foreigner had wanted to perpetrate against Iraq and the nation. The Croesus of Kuwait and his aides became the obedient, humiliated and treacherous dependents of that foreigner...What took place on 2 August was inevitable so that death might not prevail over life, so that those who were capable of ascending to the peak would not be brought down to the abysmal precipice, so that corruption and remoteness from God would not spread to the majority...Honor will be kept in Mesopotamia so that Iraq will be the pride of the Arabs, their protector, and their model of noble values.

Hussein's practice of revolutionary opportunism has another important characteristic. Just as previous commitments must not be permitted to stand in the way of Saddam's messianic path, neither should one persist in a particular course of action if it proves to be counter-productive for him and his nation. When he pursues a course of action, he pursues it fully, and if he meets initial resistance, he will struggle all the harder, convinced of the

correctness of his judgments. But if circumstances demonstrate that he miscalculated, he is capable of reversing his course. In these circumstances he does not acknowledge he has erred, but rather views himself as adapting flexibly to a dynamic situation. The three most dramatic examples of this revolutionary pragmatism and ideological flexibility concern his ongoing struggle with his Persian enemies.

■ In March 1975, Hussein signed an agreement with the Shah of Iran, stipulating Iranian sovereignty over the disputed Shatt al Arab waterway in return for Iran ceasing to supply the Kurdish rebellion

Saddam had forced a mass relocation of the Kurdish population in 1970. In 1973, he declared the Ba'th party represented all Iraqis and that the Kurds could not be neutral--they were either fully with the people or against them. Indeed, this is a basic principle of Saddam's--he who is not totally with me is my enemy. The Kurds were therefore seen as insidious enemies supported by foreign powers, in particular the Iranians. In 1973, the Kurdish minority, supported by the Shah of Iran, rebelled. By 1975, the war against the Kurds had become extremely costly, having cost 60,000 lives in one year alone. Demonstrating his revolutionary pragmatism, Saddam gave (temporary) precedence to his urgent need to put down the Kurdish rebellion, despite his life long hatred of the Persians.

The loss of the Shatt al Arab waterway continued to rankle, and in September, 1980, sensing weakness and confusion in the Iranian leadership, Saddam invaded Khuzistan province, at first

meeting little resistance. One of his first acts was to cancel the 1975 treaty dividing the Shatt al Arab waterway. After Hussein's initial success, Iran stiffened and began to inflict serious damage on not only the Iraqi forces but also Iraqi cities. It became clear to Saddam that the war was counterproductive, and

■ In June 1982, Saddam reversed his earlier militant aggression, and attempted to terminate hostilities, offering a unilateral cease fire.

Khomeini would have none of it, and the Iran-Iraq War was to take a dreadful toll, estimated at more than a million. In 1988, an indecisive cease fire was agreed to, with Iraq sustaining an advantage, retaining control of some 700 square miles of Iranian territory and retaining control over the strategic Shatt al Arab waterway. Saddam, who maintained 500,000 troops in the disputed border, vowed he would "never" allow Iran sovereignty over any part of the waterway. Until Iran agreed to forgo its claim to the disputed waterway, Hussein declared he would not agree to an exchange of prisoners nor would he withdraw from Iranian territory. But revolutionary pragmatism was to supercede this vow, for Hussein desperately needed the 500,000 troops tied up in the dispute.

■ On August 15, 1990, Hussein agreed to meet Iranian conditions, promising to withdraw from Iranian territory, agreeing to an exchange of prisoners, and, most importantly, agreeing to share the disputed Shatt al Arab waterway.

"Never" is a short time when revolutionary pragmatism dictates-- important to remember in evaluating Saddam's vow to never relinquish Kuwait.

The decision to release all foreign hostages fits this pattern. As with other misdirected policies in the past, he initially pursued his hostage policy with full vigor, despite mounting evidence that it was counter-productive. When it became clear to him that it was not only not protecting him from the likelihood of military conflict, as initially conceived, but was unifying the international opposition, he reversed the policy. The Soviet Union's anger was undoubtedly particularly important in this regard. Moreover, the timing was designed to play on both perceived internal divisions within the United States as well as to magnify perceived differences in the international coalition. The shrewdly manipulative Saddam has an exquisite sense of timing.

The labels "madman of the Middle East" and "megalomaniac" are often affixed to Saddam, but in fact there is no evidence that he is suffering from a psychotic disorder. He is not impulsive, only acts after judicious consideration, and can be extremely patient, indeed uses time as a weapon.

While he is psychologically in touch with reality, he is often politically out of touch with reality. Saddam's world view is narrow and distorted, and he has scant experience out of the Arab world. His only sustained experience with non-Arabs was with his Soviet military advisors and he reportedly had one brief trip to France in 1976. Moreover, he is surrounded by sycophants, who are cowed by Saddam's well founded reputation for brutality and are afraid to contradict him. He has ruthlessly eliminated perceived threats to his power and equates criticism with disloyalty. At one time early in his presidency, he identified 500 Communist party

members for execution and had his senior officials form the execution squads. In 1979, when he fully assumed the reins of Iraqi leadership, one of his first acts was to execute twenty-one senior officials whose loyalty he questioned. In 1982, when the war with Iran was going very badly for Iraq and Saddam wished to terminate hostilities, Khomeini, who was personally fixated on Saddam, insisted there could be no peace until Saddam was removed from power. At a cabinet meeting, Saddam asked his ministers to candidly give their advice, and the Minister of Health suggested Saddam temporarily step down, to resume the presidency after peace had been established. Saddam reportedly thanked him for his candor and ordered his arrest. His wife pled for her husband's return. The next day, Saddam returned her husband's body to her in a black canvas bag, chopped into pieces. This powerfully concentrated the attention of the other ministers who were unanimous in their insistence that Saddam remain in power. Thus he is deprived of the check of wise counsel from his leadership circle. This combination of limited international perspective and a sycophantic leadership circle has led him to miscalculate in the past.

Saddam's pursuit of power for himself and Iraq is boundless. In fact, in his mind, the destiny of Saddam and Iraq are one and indistinguishable. His exalted self concept is fused with his Ba'thist political ideology. Ba'thist dreams will be realized when the Arab nation is unified under one strong leader. In Saddam's mind, he is destined for that role.

In pursuit of his messianic dreams, there is no evidence he is constrained by conscience; his only loyalty is to Saddam

Hussein. In pursuing his goals, Saddam uses aggression instrumentally. He uses whatever force is necessary, and will, if he deems it expedient, go to extremes of violence, including the use of weapons of mass destruction. His unconstrained aggression is instrumental in pursuing his goals, but it is at the same time defensive aggression, for his grandiose facade masks underlying insecurity. While Hussein is not psychotic, he has a strong paranoid orientation. He is ready for retaliation and, not without reason, sees himself as surrounded by enemies. But he ignores his role in creating those enemies, and righteously threatens his targets. The conspiracy theories he spins are not merely for popular consumption in the Arab world, but genuinely reflect his paranoid mindset. He is convinced that the United States, Israel and Iran have been in league for the purpose of eliminating him, and finds a persuasive chain of evidence for this conclusion. His minister of information, Latif Nassif Jasin, who is responsible for propaganda and public statements, probably helps reinforce Saddam's paranoid disposition and in a sense is the implementer of his paranoia.

It is this political personality constellation--messianic ambition for unlimited power, absence of conscience, unconstrained aggression, and a paranoid outlook--which make Saddam so dangerous. Conceptualized as malignant narcissism, this is the personality configuration of the destructive charismatic who unifies and rallies his downtrodden supporters by blaming outside enemies. While Saddam is not charismatic, this psychological stance is the basis of Saddam's particular appeal to the Palestinians who

see him as a strongman who shares their intense anti-Zionism and will champion their cause.

Saddam Hussein genuinely sees himself as one of the great leaders of history, ranking himself with Nasser, Castro, Tito, Ho Chi Minh, and Mao Zedong, each of whom he admires for adapting socialism to his environment, free of foreign domination. Saddam sees himself as transforming his society. He believes youth must be "fashioned" to "safeguard the future" and that Iraqi children must be transformed into a "radiating light that will expel" traditional family backwardness. Like Mao, Saddam has encouraged youth to inform on their parents' anti-revolutionary activity. As God-like status was ascribed to Mao, and giant pictures and statues of him were placed throughout China, so too giant pictures and statues of Saddam abound in Iraq. Asked about this cult of personality, Saddam shrugs and says he "cannot help it if that is what they want to do."

Saddam Hussein is so consumed with his messianic mission that he probably overreads the degree of his support in the rest of the Arab world. He psychologically assumes that many in the Arab world, especially the downtrodden, share his views and see him as their hero. He was probably genuinely surprised at the nearly unanimous condemnation of his invasion of Kuwait. He probably has to a degree persuaded himself of his oft repeated assertion that the United Nations is controlled by the United States, denying the degree of international disapproval.

SADDAM AT THE CROSSROADS

It is not by accident that Saddam Hussein has survived for

more than two decades as his nation's preeminent leader in this tumultuous part of the world. While he is driven by dreams of glory, and his political perspective is narrow and distorted, he is a shrewd tactician who has a sense of patience. Able to justify extremes of aggression on the basis of revolutionary needs, if the aggression is counterproductive, he has shown a pattern of reversing his course when he has miscalculated, waiting until a later day to achieve his revolutionary destiny. His drive for power is not diminished by these reversals, but only deflected.

Saddam Hussein is a ruthless political calculator who will go to whatever lengths are necessary to achieve his goals. But his survival in power—with his dignity intact—is his highest priority. Saddam has recently been characterized by Soviet Foreign Minister Primakov and others as suffering from a "Masada complex", preferring a martyr's death to yielding. This is assuredly not the case, for Saddam has no wish to be a martyr, and survival is his number one priority. A self-proclaimed revolutionary pragmatist, he does not wish a conflict in which Iraq will be grievously damaged and his stature as a leader destroyed.

While Saddam's advisors' reluctance to disagree with Saddam's policies contributes to the potential for miscalculation, nevertheless his advisors by providing information and assessments are able to make significant inputs to the accuracy of Saddam's evaluation of Iraq's political/military situation. Moreover, despite their reluctance to disagree, the current situation is so grave that several officials reportedly expressed their reservations about remaining in Kuwait. Saddam has now dismissed

a number of senior officials in the last month, replacing them with family members and known loyalists. He replaced the Petroleum Minister Chalabi, a highly sophisticated technical expert, with his son-in-law, Hussein Kamal. Moreover, he replaced his Army Chief of Staff General Nizar Khasraji, a professional military man, with General Hussein Rashid, commander of the Republican Guards and a Tikriti. Tough and extremely competent, Rashid is both intensely ideological and fiercely loyal. It is as if Saddam is drawing in the wagons. This is a measure of the stress on Saddam, suggesting his siege mentality is intensifying. The fiercely defiant rhetoric is another indicator of the stress on Saddam, for the more threatened Saddam feels, the more threatening he becomes.

While Saddam appreciates the danger of the current crisis, it does provide the opportunity to defy the hated outsiders, a strong value in his Ba'ath ideology. He will continue to attempt to cast the conflict as a struggle between Iraq and the United States, and even more personally as a struggle between the gladiators-- Saddam Hussein versus George Bush. When the struggle becomes thus personalized, it enhances Saddam's reputation as a courageous strongman willing to defy the imperialist United States.

President Bush well understands the importance of not personalizing the struggle. His depicting the conflict as the unified civilized world against Saddam Hussein hits a tender nerve for Saddam. Saddam has his eye on his role in history and places great stock in world opinion. If he were to conclude that his status as a world leader was threatened, it would have important constraining effects on him. Thus the prospect of being expelled

from the United Nations and Iraq being castigated as a rogue nation outside the community of nations would be very threatening to Saddam. The overwhelming majority supporting the most recent Security Council resolution must have confronted Saddam with the damage he is inflicting on his stature as a leader despite his defiant rhetoric dismissing the resolutions of the United Nations as reflecting the United States' control of the international organization.

Defiant rhetoric has been a hallmark of this conflict and lends itself to misinterpretation across cultural boundaries. The Arab world places great stock on expressive language. The language of courage is a hallmark of leadership, and there is great value attached to the very act of expressing brave resolve against the enemy in and of itself. Even though the statement is made in response to the United States, when Saddam speaks it is to multiple audiences; much of his language is solipsistic and designed to demonstrate his courage and resolve to the Iraqi people and the Arab world. There is no necessary connection between courageous verbal expression and the act threatened. Nasser gained great stature from his fiery rhetoric threatening to make the sea red with Israeli blood. By the same token, Saddam probably hears the Western words of President Bush through a Middle Eastern filter. When a statement of resolve and intent is made by President Bush in a public statement, Saddam may well discount the expressed intent to act. This underlines the importance of a private channel to communicate clearly and unambiguously. The mission by Secretary Baker will afford the opportunity to resolve any misunderstandings

on Saddam's part concerning the strength of resolve and intentions of the United States and the international coalition.

Throughout his twenty two years at the helm of Iraq, Saddam Hussein has languished in obscurity, overshadowed by the heroic stature of other Middle Eastern leaders such as Anwar Sadat and Ayatollah Khomeini. Now, for the first time in his entire career, Saddam is exactly where he believes he was destined to be, a world class political actor on center stage commanding world events, with the entire world's attention focussed upon him. When his rhetoric is threatening, the price of oil rises precipitously and the Dow Jones average plummets. He is demonstrating to the Arab masses that he is an Arab strongman with the courage to defy the West and expel foreign influences.

Now that he is at the very center of international attention, his appetite for glory has been stimulated all the more. The glory-seeking Saddam will not easily yield the spotlight of international attention. He wants to remain on center stage, but not at the expense of his power and his prestige. Saddam will only withdraw if he calculates that he can do so with his power and his honor intact and that the drama in which he is starring will continue.

Honor and reputation must be interpreted in an Arab context. Saddam has already achieved considerable honor in the eyes of the Arab masses for having the courage to stand up to the West. It should be remembered that even though Egypt militarily lost the 1973 war with Israel, Sadat became a hero to the Arab world for his willingness to attack-and initially force back-the previously

invincible forces of Israel. Qadhafi mounted an air attack when the United States crossed the so-called "line of death." Even though his jets were destroyed in the ensuing conflict, Qadhafi's status was raised in the Arab world. Indeed, he thanked the United States for making him a hero. Thus Saddam can find honor in the present situation. His past history reveals a remarkable capacity to find face saving justification when reversing his course in very difficult circumstances. Nevertheless, it is important not to insist on total capitulation and humiliation, for this could drive Saddam into a corner and make it impossible for him to reverse his course. He will only withdraw from Kuwait if he believes he can survive with his power and his dignity intact.

By the same token, he will only reverse his present course if his power and reputation are threatened. This requires a posture of strength, firmness and clarity of purpose by a unified civilized world, demonstrably willing to use force if necessary. The only language Saddam Hussein understands is the language of power. Without this demonstrable willingness to use force, even if the sanctions are biting deeply, Saddam is quite capable of putting his population through a sustained period of hardship, as he has in the past. It is crucial to demonstrate unequivocally to Saddam Hussein that unless he withdraws, his career as a world class political actor will be ended. The recent announcement of a major escalation of the force level was presumably designed to drive that message home. The U.N. resolution authorizing the use of force unless Iraq withdraws by January 15 is a particularly powerful message because of the large majority supporting the resolution.

The message almost certainly has been received. In the wake of the announcement of the increase in force level, Saddam intensified his request for "deep negotiations", seeking a way out in which he can preserve his power and his reputation. That President Bush has signalled his willingness to send Secretary Baker to meet one-on-one with Saddam is an extremely important step. In the interim, the shrewdly manipulative Saddam will continue to attempt to divide the international coalition.

Considering himself a revolutionary pragmatist, Saddam is at heart a survivor. If in response to the unified demonstration of strength and resolve he does retreat and reverse his course, this will only be a temporary deflection of his unbounded drive for power. It is a certainty that he will return at a later date, stronger than ever, unless firm measures are taken to contain him. This underlines the importance of strategic planning beyond the immediate crisis, especially considering his progress toward acquiring a nuclear weapons capability. If blocked in his overt aggression, he can be expected to pursue his goals covertly through intensified support of terrorism.

Saddam will not go down to the last flaming bunker if he has a way out, but he can be extremely dangerous and will stop at nothing if he is backed into a corner. If he believes his very survival as a world class political actor is threatened, Saddam can respond with unrestrained aggression, using whatever weapons and resources are at his disposal, in what would surely be a tragic and bloody final act.

Mr. HAMILTON. Thank you, Mr. Post.
Dr. Mylroie.

**STATEMENT OF LAURIE MYLROIE, RESEARCH FELLOW, CENTER
FOR MIDDLE EASTERN STUDIES, HARVARD UNIVERSITY**

Ms. MYLROIE. Saddam may be isolated and ignorant of the West, but he has a keen, if cynical, grasp of human beings. They are in Saddam's mind moved by fear and by greed. That is how he governs Iraq and that is what moves him.

He is concerned now with the prospect of war. The embargo is a secondary concern for him, and what he wants to do is prevent war this season. When the hot weather comes and military pressure eases, then he is going to work on undermining the embargo.

Two years is a long time in the Middle East. It is known for its instability and unpredictability. He is playing for time hoping something will happen to ease the pressure.

The months or years it could take for sanctions to work might offer Saddam a way out. The Administration's minimal goals, if they were achieved, amount to a political defeat for Saddam.

Saddam's minimal goals are to secure gains, gains that would amount to a political victory. How might Saddam use the time that it would take for the embargo to work to undermine the coalition?

He sees Saudi Arabia as a weak point. He was surprised when Saudi Arabia invited American forces into the country because a traditional Saudi way of dealing with dangers is to buy them off, to conciliate them.

The Saudis are worried that the United States might strike a deal with Saddam that would give him a political victory, like conceding him Warba and Bubiyan Islands and the Rumailah oil field.

In that case, Saddam would have succeeded in achieving very tangible gains.

At the beginning of this crisis, concern existed that the Saudis would endorse a so-called Arab solution, a compromise settlement that would essentially acknowledge Saddam's demonstrated power. That concern dissipated with the dispatch of American forces, but the mechanism for and the advocates of an "Arab solution" remain in place.

I guess the most recent example of it is the Algerian President who either is or is not going to Baghdad today.

The months pass, the debate here takes its natural course. Will Riyadh stand fast? It might become sufficiently anxious that Washington was going to strike a deal with Saddam that it will hasten to make that deal first.

That is one of Saddam's hopes, probably, this business of reviving an Arab solution.

As for the Palestinian issue, the Gulf crisis has inflamed passions in the Middle East. The PLO and other organizations seek to use the crisis to push their own agenda.

Arafat is aligned with Saddam and has been since the invasion. Possibly he even collaborated with Saddam on aspects of the invasion. You know that Palestinian-Israeli violence is at its heights these months. When the hot weather comes, the question is will

Saddam use that easing of military pressure to exploit more actively Palestinian-Israeli tensions?

Would Saddam do something like sponsor highly dramatic acts of terrorism, blowing up an Israeli bus or a plane-load of Soviet immigrants, with the idea that that kind of intense terrorism disrupts the coalition?

How would Israel respond? How would its response affect the coalition? What about the U.N.? Draft resolutions on the Palestinian issue will continue to be raised before the Security Council.

The United States is going to face a difficult choice of either going along with those resolutions or vetoing them, and straining relations with Israel, also perhaps contributing to the possibility of some unilateral Israeli action if Israel feels sufficiently isolated and in danger.

The risks in an extended stalemate consist of vulnerabilities that would allow Saddam to emerge with some sort of victory, perhaps a big win or perhaps a small so-called face-saving compromise. What is wrong with that?

If Saddam emerges with his prestige enhanced even by a small victory, anti-Americanism will spread in the region and other problems related to the region's security will be exacerbated. It is a Saddam victory that will enhance anti-Americanism there, not a Saddam defeat.

What other problems?

Saddam has established his ascendancy in Jordan. Political victory in this crisis will leave him powerful in the Gulf. The reconstruction of Kuwait is going to be difficult in any case, and it is going to be more so with a victorious Iraq. Iraq now has had access to all of Kuwait's records, government records, including internal security files, private records of businesses and banks.

Iraq has taken the most important of those records back to Baghdad. Kuwait has no secrets from Saddam Hussein anymore, and he is going to use that information to pressure and influence any newly re-constituted Kuwait. It will be open season for blackmail, whether private citizens, individual figures or the entire government.

Saddam has long been accustomed to blackmailing Iraqis. One of the methods that the regime developed for reducing its political rivals in Iraq was to force prominent personalities into compromising situations and then film that. Saddam can well do the same in Kuwait.

How can Iraq's oversized military be curbed, particularly if Saddam comes out of this with some victory? He is adept at subverting technology transfer controls. Iraq, for example, acquired U.S. technology for cluster bombs and infrared imaging equipment through a Chilean company, although the export of that technology from the United States to Iraq was barred.

Not only technology does Iraq import. It imports people. It pays foreign scientists half-a-million or a million dollars, and thereby acquires a military sophistication far beyond the country's indigenous capacity.

With the cold war's end, there are going to be many unemployed scientists possessing the kind of knowledge that Saddam needs. Economic conditions in the Soviet Union and Eastern Europe are

harsh. How will the international community control the movement of individuals if they choose to make their fortune in Saddam's pay?

The dangers posed by Iraq's military machine conceivably extend beyond the Middle East. Iraq is working on developing a 2,000 kilometer range missile. Is it so unlikely that within the next decade Iraq might be able to hit Europe with chemical warheads or even nuclear warheads?

Is it completely impossible that Saddam could develop such a weapon that could reach the United States?

It has been argued that the same elements of deterrence that provide stability in the super power balance of terror will provide stability here. That overlooks a critical difference. Saddam's position in Iraq is precarious. His political survival is indistinguishable from his personal survival.

It is the instability of Saddam's rule that is important here. That, in addition to his ambition, causes him to take risks that more secure or less ruthless rulers would not take. That Iraq's weapons are primitive compared to its potential foes is not entirely relevant because of this.

Iraq's mere possession of a crude capacity generates uncertainty for its opponents. Saddam has shown he is more willing to threaten the use of these kinds of weapons, even to use them, than his opponents.

The risks of war are known. What I have sought to do in my testimony is to suggest some of the risks in a prolonged stalemate. What they amount to is that the coalition facing Iraq may lack the cohesion over the longer term to achieve those steps which would restore a measure of stability to the region and to the international community.

Thank you.

[The prepared statement of Ms. Mylroie follows:]

Laurie Mylroie
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Since Iraq's creation as a state by Great Britain in 1920 out of three provinces in the eastern marches of the Ottoman empire, the country has been riven by ethnic and sectarian disputes. Iraq has been a notoriously difficult country to govern. None of its modern rulers was gentle. Saddam Husayn, however, is by far its most brutal.

At the same time, however, Saddam has also created modern Iraq's "most powerful and stable regime"¹ --at a tremendous price. Domestic opposition is suppressed in part through the obsessive cultivation of military prowess and foreign conquest.

How to produce a stable regime in Baghdad which does not threaten its neighbors is the core of the present dilemma. What now appears as a series of wrenching decisions over how to respond to Iraq's invasion of Kuwait, will be seen by historians as one episode in the long effort to establish a stable order within and among the states of the Middle East after the collapse of Ottoman rule. There are no easy answers.

Saddam's regime rests on an extremely narrow political base. The ancient Greek philosophers understood one possible consequence of such weakness. As Aristotle wrote, tyrants are "warmongers with the object of keeping their

1. Samir al-Khalil's assessment of Saddam's regime in Republic of Fear, p.x, (University of California Press, 1989).

subjects constantly occupied and continually in need of a leader."²

That is Saddam Husayn in a nutshell and helps explain why he invaded Kuwait. Contrary to the regime's propaganda claims, Iraq did not achieve a victory in its war with Iran. The eight years of conflict ended inconclusively, and popular expectations in Iraq for peace, prosperity, and "more democracy," born of the hardship of war and given expression after the war's end in August 1988, could not be met.³ The collapse of the Eastern European governments a year later, particularly the overthrow of Rumania's dictator Nicolae Ceaceascau, was the last straw for Saddam.⁴ He became acutely concerned that the same thing could happen in Iraq, and he began to implement plans aimed at extorting huge sums of money from Kuwait or, if Kuwait would not pay, then he intended to take the country and its wealth.

Saddam's war aims went far beyond enlarging Iraq's limited access to the Gulf (which some see as the legitimate

2. The Politics, Book V, Ch. 11.

3. According to Cairo's Al-Ahram, 16 November 1990, Saddam Husayn told former Japanese Prime Minister Nakasone that "his popularity dropped to a record low following the end of the war with Iran, and when he was faced with extremely difficult economic conditions that made him unable to compensate the Iraqi people for the suffering they enduring during the war years, he invaded Kuwait to give the Iraqi people hope." in FBIS/NES, 20 November.

4. See, "No Victory, No Peace," appended chapter from Judith Miller and Laurie Mylroie, Saddam Hussein and the Crisis in the Gulf, (Times Books/Random House, 1990). This is also the interpretation of events given by Hassan Alalawi, a one-time aide to Saddam, now in exile in Europe, Arab News, 3 November 1990.

core of his demands.) Iraqi troops could have taken territory north of Kuwait city without precipitating a strong international reaction or United States intervention. The American ambassador essentially told Saddam that on the eve of the invasion, when she explained that the United States would not become involved in border disputes between Arab states. But Saddam apparently believed that he could gain control of Kuwait's financial assets by taking the shaykhdom.

Saddam has a keen, if cynical, grasp of men. In Saddam's, view, people are moved above all by fear and greed. (Niccolo Machiavelli's The Prince is a treatise on the political manipulation of those two passions. Iraq's Information Ministry has translated the book into Arabic--with a forward by Mussolini.)

Saddam himself is moved by the same principles by which he governs. Thus, he is most concerned with the prospect of war, while he seems to believe that he might succeed in undoing the embargo. Saddam's first priority is to prevent war this season. When the hot weather comes and American military pressure eases, he will likely shift the focus of his energies to undermining the sanctions and the international coalition which sustains them.

Two years is a long time in the Middle East, a region notorious for its instability and unpredictability. Saddam is playing for time, hoping that something will happen to

ease the pressures on Iraq. The months, or years, that it could take for sanctions to bite might offer Saddam a way out.

President Bush's minimal goals, if achieved, would mean political defeat for Iraq. Saddam's minimal goals are to secure gains from the invasion, gains that would amount to a political victory.

How might Saddam use time to weaken the international coalition and the embargo that the coalition has imposed? Saddam sees Saudi Arabia as a weak point. Saddam thought that he could intimidate the Saudis into not bringing in American troops.⁵ He was surprised when they did. Riyalpolitik, the traditional Saudi way of dealing with hostile states, entails conciliating them and trying to buy off the danger. Riyadh's open confrontation with Iraq is highly unusual.

The Saudis (and other states in the area) worry that the United States might strike a deal with Saddam that would give him a political victory. Kuwait's conceding to Iraq Warba and Bubiyan islands and the Rumailah oilfield would constitute such a victory. Saddam would have led a small state of 17 million people in defiance of the entire world--the imperialists and Zionists, conspiring with Kuwait--and he would have succeeded in securing tangible gains.

5. Two days after the invasion, Izzat Ibrahim al-Duri, vice-chairman of Iraq's Revolutionary Command Council was sent to Saudi Arabia to warn King Fahd of the consequences of inviting American forces into the kingdom.

At the beginning of this crisis, concern existed in Washington that Riyadh would endorse an "Arab solution," a compromise settlement, reconciling itself to Saddam's demonstrated power. That concern faded with the dispatch of American forces. But the mechanism for, and advocates of, an Arab solution remain.⁶ As months pass and debate in the American system takes its natural course, will Riyadh stand fast? Or might it become sufficiently anxious that Washington was about to strike a deal with Baghdad that it would hasten to make the deal first?⁷ Prospects of reviving an "Arab solution" are probably one of Saddam's hopes.

The Palestinian issue remains volatile. Iraq's confrontation with the United States has inflamed passions in the Middle East. The PLO and other Palestinian organizations seek to use this crisis to press their own

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6. A month ago Morocco's King Hassan called for an Arab summit to achieve such a settlement; Jordan's King Husayn raised the idea again two days ago.
 7. The Saudi Defense Minister already set off alarm bells last October when he raised the possibility that Kuwait might concede some territory to secure a settlement with Iraq; London's Observer reported rumors of a proposed Saudi-Kuwaiti compromise just two days ago.

agenda. Yasir Arafat is aligned with Saddam.⁸ Possibly, he even collaborated in some aspects of the Iraqi invasion.⁹

Palestinians have stepped up attacks on Israelis. Twenty Israelis were stabbed in the past two months; five died of their wounds. Another 12 were killed in cross-border raids last month.

Will Saddam seek to exploit the tensions between Israel and the Palestinians more actively when the hot weather constrains American military options? Abul Abbas, Abu Nidal, Abu Ibrahim and their lieutenants are now in Baghdad. Would Saddam sponsor highly dramatic terrorism--such as blowing up an Israeli bus or a plane of Soviet immigrants--to raise emotions to a fevered pitch? What would Israel's

8. Arafat's pro-Saddam position is not shared by all Palestinians, particularly those in the Gulf. Palestinians in Kuwait formed the richest and third-largest expatriate Palestinian community. Their life-savings were wiped out when Saddam placed the Kuwaiti dinar on par with the nearly worthless Iraqi dinar. Palestinians in Kuwait are among those brutalized by Iraqi forces, and more than half the Palestinians once resident in Kuwait have fled.

9. William Safire reported that Arafat advised Saddam that Palestinians working in Kuwaiti banks would transfer funds to Iraqi control. New York Times, 24 August 1990. It is widely rumored in Arab circles that after Iraq demanded some \$10 billion from Kuwait at the May 1990 Baghdad summit, when the next month, Iraqi Deputy Prime Minister Sadun Hammadi visited Kuwait, he presented a list of Kuwaiti assets totalling \$122 billion to intimidate the Kuwaitis and refute their claim that they did not possess billions of dollars in liquid assets. It is suspected that Arafat gave Saddam that information, having acquired it from Palestinians working in Kuwait's financial institutions, who might not even have known what Arafat intended to do with that information.

response be? How would it affect the cohesion of the coalition?

What about the U.N.? Draft resolutions on the Palestinian question will continue to be raised before the Security Council, presenting the United States with the difficult choice of exercising a veto and embarrassing the Arab coalition or modifying and accepting the resolutions, straining relations with Israel, and thereby, incidentally, also contributing to the possibility of some unilateral Israeli action, if Jerusalem were to feel sufficiently isolated and endangered.

The potential risks in an extended stalemate consist of vulnerabilities in the coalition that might allow Saddam, with time, to emerge with some sort of victory, perhaps, if he were lucky, a big-win, perhaps a small so-called "face-saving" compromise.

What is wrong with that? The room for compromise is narrow. Concessions that save face for Saddam, easily slide into gains that Saddam can claim as real achievements. He should be made to suffer a political defeat. If he comes out of this crisis with his prestige enhanced by even a small victory, he will be a dominant force in the Middle East. Anti-Americanism will grow and other problems related to the security of the region beyond the evacuation of Iraqi troops from Kuwait will be much exacerbated.

Saddam has already established his ascendancy in Jordan. Pictures of Saddam Husayn in Amman dwarf those of

King Husayn.¹⁰ A political victory will leave Saddam powerful in the Gulf. The reconstruction of Kuwait, will be difficult in any case, but more so with a victorious Iraq.

Over 150,000 Iraqi civilians, carrying arms, have moved into Kuwait. They will not be easy to dislodge. Iraq has had access to all Kuwaiti records--those of the government, including internal security files and court proceedings, along with private business, banking and investment records. Iraq has taken the most important of those records back to Baghdad.

Kuwait has no secrets from Saddam anymore. He will use that information to pressure and influence any newly reconstituted Kuwait. It will be open season for blackmail --of private citizens, individual officials, and the entire government.

Saddam has long been accustomed to blackmailing Iraqis. Early on, one of the methods that the regime developed for reducing its political rivals was to force prominent Iraqi personalities into compromising, humiliating situations, taking pictures, and using the pictures as a means of controlling their subsequent behavior. The blackmail has already begun in Kuwait. Usually reliable Arab sources report that Iraqi security forces have drugged women belonging to prominent Kuwaiti families, forced them into

10. Jordan is tied economically to Iraq. For example, Jordan's transport sector was dependent on Iraq before the crisis; 15,000 Jordanian trucks are now idle, while 40% of Jordanian industrial production went to Iraq before the crisis.

such circumstances, and preserved the incidents on videotape.

How can Iraq's oversized military establishment be curbed? That is a serious problem in any case, and particularly if Saddam comes out of this with some victory. Saddam has proved adept at subverting technology transfer controls.

Iraq, for example, acquired U.S. technology to make cluster bombs and infrared imaging equipment through a Chilean company, despite the fact that the equipment was not legally exportable to Iraq.¹¹ The company made some \$400 million from its dealings with Iraq.

Competition for export among industrialized countries is intense. The rationale always exists that if one country does not sell, it will merely leave a market open to competitors. Saddam knows and exploits this; it fits his view of the strong motivating power of greed.

Individuals involved in illegal dealings with Iraq make stupendous amounts of money. In addition to importing foreign technology, Iraq hires foreign scientists for a half a million or a million dollars, acquiring a military sophistication far beyond the country's indigenous capacity. With the cold war's end, there will be many unemployed

11. Similarly, controls were circumvented in the Banca Nazionale del Lavoro scandal, where \$1 billion was somehow lent without being approved by senior management and American commodity credits were used to purchase U.S. agricultural goods at inflated prices, with the difference channelled to other purposes.

scientists possessing the knowledge and skills that Saddam needs. Economic conditions in the Soviet Union and Eastern Europe are harsh. How will the international community control the movement of individuals if they chose to make their fortune in Saddam's employ?

The dangers posed by Iraq's military machine extend beyond the Middle East. Iraq is working on developing a 2,000 km range missile. Is it so unlikely that within the next decade Iraq will be able to hit Europe with chemical, or even nuclear, warheads? Is it completely impossible that Saddam could develop such a weapon that could reach the United States?

It has been argued that the same elements of deterrence that stabilized the superpower balance of terror would provide stability with regard to Iraq's arsenal. That is a shallow analogy, which overlooks a crucial difference. Saddam's position within Iraq is precarious and his political survival in Baghdad is inseparable from his personal survival. The instability of Saddam's rule causes him to take risks that more secure or less ruthless rulers would avoid. That Iraq's weapons are primitive or inaccurate compared to those of its potential foes is not entirely relevant for the same reason. Iraq's mere possession of a crude capacity generates uncertainty for its opponents, and Saddam, concerned above all with his own survival, has proved more willing than his enemies to threaten the use of such weapons or even to use them.

While the risks of war are known and have been well articulated, I have sought to illustrate also the risks in a prolonged stalemate, namely that the coalition now facing Iraq might lack the cohesion over the longer term to secure the minimum aims that would restore a measure of peace and stability to the region and the world at large.

Mr. HAMILTON. Thank you.

Mr. Fuller.

STATEMENT OF GRAHAM E. FULLER, SENIOR POLITICAL SCIENTIST, RAND CORPORATION, FORMER CIA NATIONAL INTELLIGENCE OFFICER FOR NEAR EAST AND SOUTH ASIA

Mr. FULLER. Good morning, Mr. Chairman. We are watching an extraordinary coalition that has been put together in this post-cold war era by this Administration and the international community. I think this is a remarkable fact in itself that gives me very considerable optimism for the ability of the community to use multilateral force in the years ahead in meeting not only Saddam Hussein but future Saddam Husseins who will undoubtedly arise in the Middle East and elsewhere in the world.

I have very little doubt that over the short to medium term, the coalition and the sanctions that have been placed against Iraq are going to have devastating impact against this economy.

Iraq is a small country with a small population totally dependent on the outside. Saddam Hussein invaded Kuwait because he was running out of money and is being deprived the billions of dollars worth of income every single month.

Surely, over time this is going to have very telling impact on that country. It is simply going to go broke. Whether they get food or don't get food, they are not earning money, which is the key to Saddam's power and success in all respects.

I think Saddam by now recognizes that he has bitten off more than he can chew. This man is possessed of massively bad political judgment when it comes to strategic issues: his attack on Iran is one example. I think his attack on Kuwait is going to prove to be a second major blunder. Giving up the so-called gains of the Iran-Iraq war for nothing was a third similar blunder.

I would argue that if Saddam Hussein can be forced to retreat from Kuwait—and I think he can ultimately through non-military means—that there is also no status quo ante for Iraq. I am uncomfortable with the suggestions that if he goes back to Iraq that he simply can sit there and then pull off another Kuwait several years down the road. I would argue that Saddam and Iraq have been substantively changed and affected by this process.

Saddam has now eclipsed the late Ayatollah Khomeini as the bad guy of the region and indeed of the entire world. The eyes of all the world's intelligence organizations and spy satellites are going to be on Iraq for years to come watching every twitch of the military as to what it might do—with far less optimism about his intentions, as unfortunately characterized judgments of his intentions before attacking Kuwait.

I would, therefore, suggest that, if Saddam pulls back, we are going to be dealing with a rather different situation in the Middle East in which he will have been perceived to have pulled back his horns and is surrounded by a coalition, both Arab and international, that is going to monitor his activities very closely.

If it comes to a military solution, Mr. Chairman, I must say I am less sanguine than those who feel this would eliminate major problems. First of all, I think it is clear that almost all Arab regimes

who are with us in this coalition have some misgivings themselves about the nature of a military solution.

Although all our allies are speaking in positive terms about the need to use force, everyone recognizes that the use of force against Saddam, including American force, will unleash problems for them over the longer run that are going to be powerful.

This is implicit in Egypt's statements and in Saudi Arabia's statements, even though they don't want to be giving Saddam any sense they waver. They are not in fact wavering in their intent to apply the sanctions. Indeed, they are fearful that we will not have the staying power to apply sanctions. But they recognize that a war will bring very great problems for them.

Any time Americans are going to be going in and killing Arabs in significant numbers creates a highly destabilizing situation in the region for a very long time to come. A Pax Americana is not going to be a welcome order in the future Middle East.

This is not to say there is not a role for American power and American support in critical moments, but not a Pax Americana.

Obviously a war can spread and the drawing in of Israel I think would have untold consequences; the character of the conflict would be transformed overnight if Saddam Hussein, in fact, were successfully able to draw Israel into it.

Mr. Chairman, there are some longer-range forces that work in the region that I think many previous witnesses here have referred to.

The most powerful of these forces is that of popular participation in government, and democracy. But let's be honest. I don't see any way that we are going to be able to restore the present Kuwaiti Government as it was back into power. It has not been a highly oppressive regime, but it is nonetheless an authoritarian regime.

I don't see that we are in a position as Americans to be restoring it with all its previous authoritarian powers. Under these circumstances, participatory government in Kuwait may be the wave of the future for the region.

Over the longer run, democracy is essential to the stability of the Middle East. In the short run the Saudis and other Gulf States, and indeed many other authoritarian regimes in the region, will see democracy as highly destabilizing to them.

We are entering a period of intense instability in the Persian Gulf come what may, and democracy is one of the forces that will be initially destabilizing. There are other problems as well. Well known to you, for example, is the Palestinian problem, the problem of highly inequitable distribution of regional wealth and indeed the absence of any kind of international oil pricing regime which can soften the roller-coaster character of prices.

Let me mention a couple of other factors, Mr. Chairman, that I think are important for our long-range consideration of the region.

The Middle East suffers from a pathology that is intense, a paranoia that has been produced by over a century of insistent Western intervention. There may have been some good reason for Western intervention in the past.

I would hope in a new post-cold war order, we are beginning to see an opportunity for nascent regional efforts to deal with their own security. I would suggest perhaps the age of American unila-

teralism in the Middle East—as the Lone Ranger coming in to solve problems and then withdrawing from the region letting the towns-people return to their normal way of life—is probably drawing to a close.

There is definitely a role for American military support and assistance, and indeed over the horizon participation in the future, but I would hope that this does not need to be part of the regular Middle East order.

It is imperative that Arabs themselves begin to create their own institutions that will begin to cope with these issues.

It has taken the Europeans a long time to arrive at this stage themselves. Maybe in this post cold war era it will begin to be easier.

I think that the precedent of this coalition that is working now to push Saddam out of Kuwait will also be the coalition that will be able to take up the issue of Saddam's military threat down the road.

If we can get Saddam out of Kuwait, we will have bought a little bit of time, time to deal with his larger military organization, with his chemical weaponry and his long-range nuclear potential.

Indeed, we need not abandon this coalition and the sanctions simply because he has pulled out of Kuwait. I would argue that once he has pulled out of Kuwait we would be in a position to ease the embargo but not permit him to sell oil until we feel that he is reaching a compromise with regional states and the international order about his own military power.

If all of this fails, Mr. Chairman, of course, the room for unilateral action is there. If we find that the international community is not up to coping with the longer range problems of his nuclear weaponry, then unilateral action by the United States, by Israel, by the Soviet Union, Arab states or anyone else to go in together and take out nuclear facilities is also an option.

I do not agree with those who say that we must deal with every single issue and aspect of his weaponry and now. We will have bought some time if we can force a retreat from Kuwait, as I believe we can.

Let me mention one last point, Mr. Chairman.

That is the issue of linkage between the Palestinian situation and the Gulf crisis. There are two facets of it. It is outrageous for Saddam to suggest that there is linkage between the two issues, that he will retreat from Kuwait if Israel will retreat from Palestinian areas.

There is no deal here. It is an unacceptable proposition. He must get out of Kuwait under any circumstances. It is impossible that the new international order be inaugurated with the successful seizure of one country by another country in a critical region.

But, because Saddam has linked them does not mean that the issue is not linked in other senses. Everyone knows that when you are trying to do business in the Middle East, the Palestinian situation is the constant aggravating source in nearly everyone's calculations.

That problem is behind everything that this Administration must consider when it decides how and when to use force and what members of this coalition to bring in. It is one of the last great

bleeding wounds of the world that we have yet to attend to in establishing some kind of new order.

Ironically, I think Saddam Hussein through this brutal aggression has created the possibility, for the first time in my professional memory, for a coalition which can bring together a comprehensive peace.

I don't want to speak in excessively glowing and starry-eyed fashion about this, but never before, Mr. Chairman, have I seen the possibilities of this kind of comprehensive peace as close at hand as it is now.

It is Saddam who has made this possible, not because he is urging it, but because he has through his action created a counterbalancing force which is capable of pulling this off.

In brief terms, it means Syria, who has been the long-term thorn in our side for over a decade has both lost its Soviet ally, and seen Saddam take away its leadership of the radical Arab camp.

I would suggest there is a possibility, not a certainty, but a possibility that Syria now recognizes that it must join in with Egypt and indeed with Saudi Arabia and the United States, and that it can have its moment of glory in the Middle East by pulling off a second Camp David.

But I am afraid that from the point of view of Israel, any comprehensive political settlement must ultimately entail the establishment of a Palestinian state on the West Bank. My views are well known on this issue. Many in Israel agree. I do not imagine Shamir deciding that he wants to give up the West Bank for a Palestinian State simply because the intifada is getting unpleasant.

I would suggest, however, that if the Israeli populace is offered a possibility of a comprehensive solution which would include Lebanon (which would be defused by a peaceful settlement), Syria, and a Palestinian State—thereby removing the entire Palestinian issue from the agenda—and Egypt and Jordan, you have got a formidable array for peace. Lastly, Saudi Arabia at this point would join in as well. Saudi Arabia has no reason to want to allow Saddam to monopolize the Palestinian issue. I would like to see the United States at least consider going ahead to test the waters for a comprehensive solution of all those states—that leaves Saddam out. Let Saddam stew in his juices in Kuwait while the rest of the world goes off to see if we can put together for the first time this peace coalition and leave Saddam out of it entirely.

Saddam will have no thunder left on almost any of these regional issues if this kind of similar diplomatic action can be taken while he is busy trying to digest and absorb Kuwait.

I thank you.

[The prepared statement of Mr. Fuller follows:]

OUTLINE OF OPENING REMARKS
HOUSE FOREIGN AFFAIRS COMMITTEE

Graham E. Fuller
Senior Political Scientist, The RAND Corporation
11 December 1990

The Anti-Saddam Coalition

-The coalition the Administration has put together is extraordinary; it is of crucial long-term importance to any "new world order."

-The coalition is likely to remain intact and effective for as long as Saddam occupies Kuwait, the US maintains its resolve to continue it, and initiates no military action.

-It is inconceivable that this total embargo against Iraq will not eventually have crushing impact against Iraq's economy, but nobody can predict precisely when. Only Saddam can determine when it becomes intolerable to his interests. It is sucking his economy dry daily.

-Saddam by now almost surely recognizes the enormity of the political, military and economic forces arrayed against him; but he will bargain like hell for everything he can get. Time is not on Saddam's side as long as the sanctions are maintained.

-If Saddam withdraws from Kuwait, there is no status quo ante for Iraq; Saddam's regional and international position will have been inestimably weakened, both politically and economically. He cannot pull off a Kuwait II at some later juncture with the eyes of the world upon him.

-The anti-Saddam sanctions have a validity beyond a withdrawal from Kuwait; they can then be reduced to an embargo solely on oil, and then maintained until some agreement is reached on the size of his military and the nature of his chemical weapons and nuclear facilities.

Consequences of a Military Solution

-A military solution raises extremely serious long-term problems in the region.

-For key Arab partners the military elimination of Saddam is attractive, but there are clear misgivings among all of them about the unforeseen consequences.

-Most Arab citizens dislike Saddam, but will react very negatively against an "unprovoked," American-led military crushing of Iraq.

-Deep, long-range regional resentments will be created by US military action; it will be perceived as the imposition of a Pax Americana on the region solely in Western, and not regional, interests.

-War could draw in Israel, spread to Jordan, probably leading to a likely collapse of King Hussein and burgeoning fundamentalist sentiments in the region.

-In the meantime, the presence of US troops in Saudi Arabia is inexorably damaging the legitimacy of that regime. A long-term major American military land presence will be destabilizing.

Longer-Range Political Forces in the Region

-Over the longer run, Saddam has released dangerous forces in the region; he did not create them, but dramatized them.

-We will not be able to reimpose the monarchy in Kuwait as it was. The specter of democracy is now stalking the Gulf. Over the long run that is desirable, but over the short run it is destabilizing. We cannot, and should not, attempt to stop the process.

-If the US is perceived to have no interest beyond the oil of the region, and fails to show concern for the other legitimate problems of the region, it will have scant credibility as leader of any new security order. These issues involve the endlessly festering Palestinian problem, equitable oil prices, greater regional sharing of wealth and resources, and the need for greater political participation by disenfranchised masses.

A Longer-Range Political Order

-The manner of solution of the present crisis will have major impact on the politics of the region for decades.

-Constant Western military intervention remains one of the chief sources of the regional pathology.

-Most Arabs believe that their ownership of critical oil reserves dooms them permanently to de facto loss of sovereignty at the hands of the West.

-The days of American unilateralism in the Middle East are increasingly numbered. We have been wise to work closely with the UN, and strengthen that organization to play a leading future role in the region.

-It is time the Arabs themselves begin to develop some institutions of regional security of their own--not only against Saddam, but all future Saddams. These institutions will not be immediately effective, but they must start now,

and receive UN and foreign assistance to help make it work.

-The present coalition, if successful in dislodging Saddam through economic means, will have set major precedent for the use of similar means in addressing the longer range security threat of Iraq. We will have bought time, and strengthened international instruments.

-If a nuclear threat from Iraq should ever become imminent, external military force--even unilateral--is always an open option.

A Comprehensive Arab-Israeli Peace

-Saddam through his aggression has inadvertently created the wherewithal--for the first time in decades--for a comprehensive Arab-Israeli peace.

-Such a settlement, today, could include Egypt, Jordan, the PLO, Syria, Lebanon, and Saudi Arabia. It can be done without Saddam; indeed, it would devastate Saddam.

-But any comprehensive settlement will require the establishment of a Palestinian state on the West Bank and Gaza. Until this takes place, Israel can never become a "normal" state in the region.

-It is precisely because of the non-solution of the Palestinian problem that Israel is effectively barred from any meaningful regional role today, short of defending itself. Israel is also doomed to near strategic irrelevance in being able to make a contribution to any new regional order. Only a settlement with the Palestinians opens the door to new possibilities.

(The views expressed in this paper are solely those of the author and do not necessarily represent those of the RAND Corporation.)

Mr. HAMILTON. Thank you, Mr. Fuller.

We will begin with a five minute rule here just to get us started.

U.S. POLICY IN THE PERSIAN GULF

I think it might be helpful if we heard from each one of you what you think of U.S. policy.

We are now in the fifth month since the Iraqi invasion of Kuwait on August 2. What do you think is right, what do you think is wrong about our policy thus far?

Can you just address that in a general way?

Dr. Post, why don't you begin. We will move across the table.

Mr. Post. I think one of the most impressive aspects of the response to the invasion of Kuwait has been the establishment, as Mr. Fuller noted, of a quite unprecedented international coalition and the prospects of the utility of an effective U.N. has been really quite extraordinary.

Indeed, in my way of thinking, a combination of the escalation in the force level and the U.N. resolution in terms of setting a date certain which had overwhelming support, were major precipitants for Saddam Hussein being able to back away.

Being willing to back up the sanctions with the possibility of conflict does not equate to a proposal for conflict. The only language Saddam understands is the language of power. I think the clarity and lack of ambiguity of the resolve to utilize force has finally concentrated Saddam's attention in re-thinking counterproductive aspects. However, when we move into a position where it is more the United States versus Iraq, this strengthens Saddam's hand.

There is a tension between the international coalition and the civilized world against Saddam, which has very positive effects, and this being a U.S. dominated, U.S. led unilateral intervention, which has negative effects we must continually work on making this an international response.

Mr. HAMILTON. I gather you basically agree with present policy?

Where would you differ?

Dr. Post. Where I would differ is only when we seem to be departing from the international response. I believe that sanctions indeed can and are having a debilitating effect. But it is important to observe that sanctions alone can be strung out for a long time.

Saddam has demonstrated his capacity to put the Iraqi people through a prolonged period of deprivation if need be. I think he can hold out for a long time.

I am concerned in terms of Saddam's capacity to be shrewdly manipulative. The opportunity of Secretary Baker meeting with Saddam and clarifying the response and intent of the United States and clarifying that we have no military ambitions beyond his withdrawing to Kuwait so that his power will be preserved is very important.

Mr. HAMILTON. Dr. Mylroie.

Ms. MYLROIE. I think it is important to recognize that Saddam thought he could eat Kuwait, that he could get away with it, that the Saudis wouldn't bring in American troops, that the United States wouldn't deploy to Saudi Arabia. And the American Government has shown him otherwise.

Also, the international coalition that the Administration has put together is something remarkable.

What is wrong with the U.S. response? I am not a military expert, so I just want to raise the consideration of others, this question of a large ground deployment and why things aren't done more by air. That is for other people.

I guess I think it is important to stress the point that at a minimum it is Saddam who has to come out of this with a political defeat. I fully support the President's position that there should be no gains from this aggression.

Mr. HAMILTON. That really means he has got to get out of Kuwait totally?

Ms. MYLROIE. Yes.

Mr. HAMILTON. That is the key to whether or not Saddam comes out a winner or loser in your view?

Ms. MYLROIE. Yes.

Mr. HAMILTON. Mr. Fuller?

Mr. FULLER. Sir, I think the Administration has done a great deal that has been effective and on the mark. We have all mentioned the fact that this coalition is an extraordinary one. What is particularly important about the coalition is not only its application to this crisis, but as I suggested, to other future regional crises in the Middle East and elsewhere; hopefully this will be the model by which we can do more in other areas, especially with the full support of the Soviet Union.

Secondly, I would agree with the President's placement of adequate force in the region, to make sure our position is convincing. If it was simply a small trip wire, Saddam might wonder whether we were serious about our willingness to use force. Our size of force, I think, lends great credibility to the Administration's position.

I am uncomfortable in a couple of other areas, however. I welcome the Administration's success in gaining the U.S. support for the use of force if necessary in the region, but I am concerned with the date certain that was established.

As many people have pointed out, when you have a date certain, it means that you are not going to do something before then, which removes elements of doubt in Saddam's mind.

Secondly, it tends to make you have to act in some way or other after that date certain. I wonder whether having a date certain may not in effect undercut the value of long-range sanctions policy.

In effect, would it mean that we don't believe the sanctions are going to work and that we will have to turn to other means in the interim?

If Saddam believes there is not sufficient guts for war in this country or in the international community, then he will view, that date certain as very unreal threat perhaps.

But the embargo, on the other hand, is not costing the West or our allies much, and is a very credible and dangerous threat to Saddam, and he knows it.

Secondly, I would be happy if the Administration would acknowledge a little more its awareness of long range problems in the region and those grievances that exist there. There is deep suspicion within the Arab world that this is simply a newer and fancier

form of neo-colonialism whereby the United States will occupy, quote, unquote, the oil fields and prop up regimes in the region for our benefit.

I think we need to make it clear what our aims are in terms that the region will understand so that they know that we are concerned with issues other than just protecting our oil.

The U.S. will have little credibility in the area if we are viewed as willing to come in only to protect oil.

I would like to make one last comment on the question of Iraq's ability to suffer deprivations. This has been discussed by many different people. I do not think Iraq is capable of long-term suffering. I would argue Iraq did not suffer during the Iran-Iraq war in the sense that a population was asked to undergo great hardships.

Saddam promised the Iraqi people both guns and butter, and he delivered, thanks to \$120 billion he got out of the rest of the world to help do this. The only price Iraqis paid was dying at the front. I don't mean to make light of it, but if you died at the front, your family was rewarded. You were given cars and other things to deal with. Nightclub life went on. Nobody suffered any hardships whatsoever, unlike the Ayatollah Khomeini who promised only blood, sweat and tears, and that is what they got, and they fought very hard.

I am not sure the Iraqi people have any experience with true hardship of this kind and have the stomach for it either.

Mr. HAMILTON. Mr. Goss.

Mr. Goss. Thank you, Mr. Chairman.

TIME FACTOR IN CURRENT POLICY

I want to raise the proposition which you have all hit on with regard to the question that is time working for us or against us. There is obviously a disparity of views on that from our witnesses this morning.

I gather, Ms. Mylroie, that you subscribe to the same theory I do that Saddam's foreign policy is bologna by the slice. However much, he can give you a little bit and that is a political victory.

You are not ready to suggest that he is going to let the status quo remain, that he is going to try to tear down the coalition as time goes along and not just going to be ready to accept the substantive change that Mr. Fuller has suggested to us, go back to his borders and be monitored.

With that sort of warm-up on that question, I would like to ask you and then Mr. Fuller on that.

Ms. MYLROIE. I like that bologna by the slice because that is what it is. I think the fact of time is ambiguous. From the American side, it is to wear down Iraq, limit its industrial capacity. The military runs out of spare parts and that kind of thing.

From his side, it is to work politically on the coalition that faces him. I think he would consider himself to have done not badly if by March or April all he faces then is an embargo for six months because then he is going to start thinking up other things, and he is a very, very clever man. I suggested some of the options he might pursue, and I am sure there are many that I just haven't thought about.

Mr. Goss. Mr. Fuller, on the same line, in view of Dr. Post's assessment that this is a man who is not going to roll over quietly and have to witness a substantive change, do you honestly believe if he goes back in his borders that the economic sanctions work, as we all hope they will, and he goes back in and we sit and monitor him, that that is going to be the end of the problem?

What happens if he does something we don't like while we are monitoring him?

Mr. FULLER. Mr. Goss, I fully concur with Dr. Post and Dr. Mylroie on the question of, first of all, Saddam's determination to get something out of this if he possibly can. We are going to be in for some really rough, bazaar-type bargaining. He is going to work every trick in the book to try to come out with something to save face.

My guess is that over the longer run, he probably will emerge with some possible minor border rectifications or an island or something like that. I am not terribly happy about it, but I suspect this is the way the region is going to work, that in the end the Arab states will feel that they must accommodate him perhaps to this extent.

I am not happy about it, but I think that is a considerable likelihood.

I don't want to be optimistic and naive about what Saddam's future intentions are. Once he has pulled off an invasion of Kuwait and then been forced out from there, I wonder whether the Iraqi people are going to see this as a great victory when Saddam has then lost more countless, billions and billions of dollars, placed his country, at the top of the list of international pariahs. Iraq is not going to be the favored partner for doing business in the region.

Saddam is always going to be able to buy people, of course, to support him. But is the international order going to support this man's industrialization programs and help him with bank loans and this kind of thing down the road?

I think he is going to have been permanently bruised. I hope somebody within the Iraqi system will decide that this man is too dangerous even to themselves. But nobody can predict that.

Mr. Goss. Dr. Post, you mentioned no limits to aggression in your psychological profile of this man, and he would go to any length. Does that include that he is interested in some survival approach to this whole episode?

Dr. Post. I see him as being someone who would go down to the last flaming bunker if he concluded he had no way out. The dangerous possibility is if he constructs and perceives the situation that the destruction of Saddam Hussein is the goal of our Administration. In that case, I think he can go to quite bloody and brutal lengths in terms of protecting his survival.

But if he sees a potential way out, he will do so.

In terms of the question of his using weapons of mass destruction such as chemical and biological weapons, he will only do this if he sees this as being advantageous and will use it more as a lever.

He knows full well there can be extreme retaliation if he does so, however.

Mr. Goss. Thank you.

Thank you, Mr. Chairman.

Mr. HAMILTON. Mr. Berman.

OPPORTUNITIES FOR ARAB-ISRAELI PEACE PROCESS

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

First, I would like to proceed with Graham Fuller's suggestions regarding the comprehensive Middle East opportunities that he sees here.

I am a little unclear about the chicken and the egg and who goes first in all of this.

I guess you are saying that notwithstanding the adamant position of the Israeli Government with respect to an independent Palestinian state, that the clear intent of Arab governments to recognize and live at peace with Israel can cause the kind of dramatic change that will cause them to totally reverse the strong position that they have taken in recent years?

We hear from representatives of the Arab governments that the last thing they can do now is to make those kind of overtures because that would upset the Arab people, the rank and file, the grass roots, and would so serve Saddam's purpose.

While they hold out potentials for hope of new positions in the future, Arab governments are telling us that nothing can or should be done now because it will only allow Saddam to accomplish his goal of separating the Arab people from their governments.

Lastly, it seems like there is an assumption here that Syria's desire to live at peace and get back part of the Golan Heights is more important to them than all of their decade-long aspirations for dominance in Jordan, in Israel, in Lebanon, in the greater Syria that they have talked about for many years.

I am wondering if this isn't an overly optimistic view of what the present crisis is going to produce in the context of a more comprehensive Middle East peace?

Mr. FULLER. Mr. Berman, I think your concerns and questions are extremely well taken. They get to the heart of the problem.

I don't, first of all, want to sound unduly optimistic about this. I did note that this is a possibility, a distinct possibility as opposed to a certainty.

In terms of Syria's ambitions in the region, I would like to think I am a charter member of the "distrust Syria club". For years at CIA, I argued there was no doing business with Syria because Syria profited more from confrontation than it did from peace.

Mr. BERMAN. What did you say about Iraq?

I am just curious.

Mr. FULLER. I was on record during the Gulf war period of saying that I didn't think Saddam had changed at all. I frankly didn't think he was going to go into Kuwait the day before the attack because I didn't think he needed to go into Kuwait. He had gotten what he wanted from Kuwait.

I have always felt that Saddam had never changed at all, and this was evident not by his foreign policy—

Mr. BERMAN. I'm sorry. I didn't mean to get off the—

Mr. FULLER. Sir, I just think time has run out on Assad's old dream of leadership there. The Soviets pulled the rug out from under him powerfully by not backing him in his ambitions.

He is running into trouble economically, and the main reason is that Saddam has stolen his thunder. Saddam has taken away his ability to lead the Arab world, to lead the PLO and do all of these things. I think the fact that Syria has already come around to a rapprochement with Egypt and is willing to support the United States in this situation gives us some inkling that this is the direction which he is moving.

What I am hoping, and nobody can know until we explore this with Syria further, is would Assad be willing now to actually move further towards peace and bite the bullet.

Of course he is not going to say, "Okay, we give up. We are going to support the Israelis." But I would imagine a scenario in which he would say, "I am going to accomplish the second half of Camp David, I am going to get for the Palestinians what Egypt failed to do, which Camp David called for, genuine autonomy for the Palestinians in the West Bank. I am going to attempt to get them the West Bank state."

Now, you absolutely correctly, Mr. Berman, raised the question of whether we can say this if the present Israeli government is adamantly opposed to any Palestinian state on the West Bank.

Mr. BERMAN. And the Arab governments are unwilling to make the move forward because of their desire to not let Saddam separate them from their own people?

Mr. FULLER. That's right, but if the coalition, if the Egyptians and the United States and the Syrians and others were able to attain a Palestinian state for the Palestinians, I think this would be a triumphant accomplishment from the point of view of Arab politics, absolutely triumphant, but the problem is, as you very rightly point out, what on earth would make Israel accept this kind of circumstance.

I think you know that this government in Israel is not a government enjoying unanimous support. No government anywhere is, but in Israel there is a great deal of concern and division over the issue of what are we going to do about the Intifada. Already this government is talking about, as I saw when I was in Israel last week, talking about de facto closing off of the West Bank and just leaving the Palestinians to stew in their own juices.

If Israel were presented with a possibility not of giving up the West Bank simply, to put an end to the Intifada, but for a genuine comprehensive peace, bringing the Syrians in and the Jordanians and others, I think this would be very tempting.

If Shamir didn't want to agree to such a proposal, it might break up the government sufficiently so there would have to be new elections for a kind of referendum. We are not talking about giving the Palestinians a state simply for their own sake, but because we feel it can lead to this comprehensive package, that brings in every single peripheral state into a settlement.

I think that is possibly doable, and it is doable without Saddam. In fact, if Saddam had not alienated Syria, I don't even think we would be within shouting distance of such a long range possibility.

Dr. POST. Might I make one comment on the kinder, gentler side of Assad? I, too, am a charter member of the Distrust Syria Club, and am highly skeptical of the notion of Assad moving for the

peaceful motivations my esteemed colleague, Graham Fuller, has suggested.

This is a wonderful opportunity for Assad. He has had an intense rivalry with Saddam over the years. Now, he has allies in his long-standing goal to become the preeminent Arab strong man.

I would note that under the cover of our preoccupation with the Gulf crisis, Assad quietly moved in to Lebanon and took a large step towards achieving his goal of a greater Syria. So I think it is terribly important that we not make the same error with Assad that we made with Saddam, and in the short-term pursuit of temporary needs to seek common cause with a dangerous individual driven by power, and, end up strengthening someone who may be a great hazard to us two or three-years down the road.

Mr. HAMILTON. Mr. Leach.

Mr. LEACH. Thank you, Mr. Chairman.

I think everybody in America shares your suspicion of Assad. But I think we also make a mistake if we don't recognize that it is a darn sight better that he is with the coalition and that has to be pretty strongly understood. Anyway, let me just raise a couple questions in a different kind of way.

WAR CRIMES TRIBUNAL

Mr. Fuller indicated that he felt that maybe Saddam would get something out of this in the final measure, and it strikes me that if there is war he is going to get nothing. So if he gets anything, that implies it is going to be through some sort of negotiated circumstance, and that gives him some incentives to negotiate.

From our perspective, what do we have to give? I don't mean just lands and islands and oil fields or whatever, because we are not really party to whether or not those decisions will be made, although we could be ancillary to that, but in giving something it strikes me maybe we ought to raise the ante. Let me just explain what I mean.

Everyone has from time to time said certain leaders in the world are villains and everyone from time to time has raised the specter of Nuremberg analogies. It strikes me it might be very intriguing to actually seek a security council resolution to have a Nuremberg tribunal made appropriate for the invasion of Kuwait. The advantage of that is that it says to the world that we are against Saddam. We are not against the Iraqi people.

It also gives us something to give. I mean, there would be an implicit plea bargain. If Saddam were to withdraw, the plea bargain would be pretty simple. We wouldn't have a trial in which the result would be relatively foreordained. It also has the advantage, it strikes me, that it might abbreviate a conflict.

In theory Saddam could be apprehended before conflict broke out or shortly after a conflict broke out, in which case there would be advantages to implying that that ended the conflict. I mean, presuming he were still alive after the conflict broke out after a period of time.

In any regard, would any of you want to comment on whether you think that the world community, through a UN resolution ought to suggest a Nuremberg-like tribunal be established for pre-

cisely the Iraqi invasion of Kuwait, implying both that Saddam himself might be on trial or some of his henchmen? I might also mention that it raises some other advantages.

It says to everyone involved in this invasion that if they inflict a kind of terroristic behavior on foreigners or, for that matter, the Kuwaiti people or even the Iraqi people themselves, that one of the principles of Nuremberg is that that is unacceptable behavior and following orders that are illegal is no defense.

Does that strike you as something that would be a good initiative, a weak initiative, with advantages or disadvantages?

Dr. Post. You are addressing something very important in my judgment. Despite his dismissing UN resolutions, in point of fact his stature as a world leader and as a valued member of the international community is extremely important to Saddam Hussein.

I think there is another possibility to consider. The possibility of expulsion of Iraq from the United Nations as a rogue nation, I believe, would have powerful constraining effects upon him.

I would also like to quickly address the first part of your comment in terms of what do we have to come up with to save face for Saddam. Saddam is quite capable of coming up with face saving rationalizations himself. He has remarkable capacity for revisionist history, and I don't know that we have to provide him with something in terms of a positive incentive. He has already stood up to the imperialist West, and to the most powerful nation on earth, an act of great honor and courage for the Arab masses.

He will certainly be able to claim, and will do so, and is already doing so, that he has moved the Arab-Israeli conflict to the front burner, so he has the capacity to say he is coming out of this with honor already.

Mr. LEACH. Well, just to be precise, do you support the idea of suggesting a tribunal might be set up or do you oppose it?

Dr. Post. I would prefer moving to the consideration of a resolution expelling Iraq from the United Nations. The concept of a tribunal, I think, could be, indeed, counterproductive if he sees that even if he pulls back from Kuwait that the international community is out to get him. This could lead him to conclude there is no way out.

Mr. LEACH. But the implication would be the tribunal would not be—there would be a plea bargain, that if he pulls out peacefully, that would be his bargain.

Dr. Post. Well, that is fine in the courts of the District of Columbia, but I am not comfortable with the understanding that Saddam has of the ways of the western world and, indeed, one of the major confusions in this entire enterprise has been Saddam hearing Western words through a Middle Eastern filter.

Mr. LEACH. Miss Mylroie?

Ms. MYLROIE. I think that is a terrific idea. I think if the international coalition, particularly the United States, go to war, that changes the situation because it entails sacrifices on the American people, and just because of that new situation the goals are different, and something like the prospect of a Nuremberg trials would have an effect internally within Iraq, I think, in terms of dissipating—or sort of weakening, sort of elite support for him.

People will have to think. They may hang for what Saddam is doing, so I think it is a good idea for that reason. Also, I think it is entirely consistent with the notion of a new world order and should be something to think about in the case that a war becomes necessary.

Mr. LEACH. Mr. Fuller?

Mr. FULLER. Mr. Leach, I think that there is the seed of a very interesting idea there that needs to be developed in a lot of interesting ways. The way the tribunal was conducted, I think, would be extremely important. If this was seen just to be sort of a U.S. propaganda show, it would probably be viewed with utter cynicism in the region itself.

Especially if the United States did not take the lead on it, but the UN itself, with a very modest U.S. role, I think it would have far greater impact and credibility than if it was seen to be our initiative.

Anything I think the UN can do that can mark Saddam as a rogue in the international community is extremely important. This is why I do argue that I don't think there is a status quo ante for Saddam to go back to. It isn't as if he had never done anything once he is forced out of Kuwait.

He has done something terrible, the world knows it and must take note of it. When I occasionally sound a little bit starry-eyed about some of these future options, I am just searching for some new way to use the new international circumstance to create some kind of regional order there as well. I think there are some rough outlines of that order that we see in this coalition, with the UN action, with Soviet action, with the possible comprehensive peaceful settlement, Arab-Israeli settlement without Saddam. These are all areas that offer some kind of regional approach to security in which we say to the region, "look, you guys have a problem. Of course, we are concerned about oil and we are going to have to come in if we have to every single time if the oil is seriously threatened, but you guys have a problem too. You are living with Saddam. It is his chemical weapons and his potential nuclear weapons that are at stake here. What are you going to do? We are happy to help. We are going to let the UN help."

I personally don't want to see American troops there if we can have UN troops with Nigerians, Fijians and Poles or Russians or whoever there, but it suggests to the Arab states that there is international support if they need teeth. But let them start getting on with the job; condemning Saddam in this way in an internationally recognized fashion has a very powerful message for the new order.

Mr. LEACH. Thank you, Mr. Chairman.

Mr. HAMILTON. We are very pleased to have Mr. Moody with us from the Ways and Means Committee.

Mr. LEACH. We are particularly pleased he has joined our side.

Mr. HAMILTON. Mr. Moody.

SADDAM HUSSEIN—PREDICTING HIS RESPONSES TO U.S. POLICY

Mr. MOODY. Thank you.

I would like to ask you to try to get inside the head of Saddam Hussein. One of you said that if he is allowed to keep anything, it will increase anti-Americanism in the Middle East. I would like to ask each of you to consider this, suppose he were told that if he were not to get out of Kuwait by a date certain, we would attack, no fuzziness about a January 15th, but simply there will be an attack.

On the other hand, suppose we said, look, we won't attack, but we will offer you this, a peace conference in which some of the issues you have raised regarding the Palestinians will be on the agenda. Let's take these two alternative U.S. policies, but no fuzziness with either one of them, and there is a lot of fuzziness right now.

I guess what I am trying to get at is the incentive structure which will lead us to where we want to go. What will get him out of Kuwait totally? Is he someone who would rather go down fighting and wouldn't care if the whole nation were destroyed or is he someone who really cares that the nation is destroyed?

We are used to leaders stepping aside, setting aside their own personal ambitions in order to preserve their nation. Is he that kind of person? That is a lot of questions wrapped together. I am trying to get at the incentive structure that would really work for him.

Dr. Post. There is a connection between several of your questions. Saddam is Iraq psychologically. The destruction of Iraq, the destruction of his power base, is a very major disincentive for him, and he will, if he can find a way, avoid losing his power base, so I believe it is quite possible he can withdraw.

Mr. Moody. If he knew he was going to be destroyed, would it matter to him that the rest of the nation was going to go as well or would this be a distinction he wouldn't care about?

Dr. Post. As I indicated earlier, if he feels we are out to destroy him personally, then there is no limit to which he can go in fighting for his survival. This is not a man who has a deep-seated loyalty to anyone other than himself. Concerning the question of offering participation in a Middle Eastern peace conference to Saddam is, in my judgment, a disastrous notion.

For him to come out of this as the man, after many years, after many decades of failure, who is able to bring a conference about to solve the Palestinian question is to promote the stature of this man driven by power to the nth degree.

Mr. Moody. What if we thereby avoided a war in the Middle East that would involve Americans killing tens of thousands of Arabs, which would buy us a lot of enmity for many, many years to come, what if it avoided war?

Dr. Post. Your question has a premise in it which is of great importance. I think it is terribly important that in searching for ways to avoid the immediate crisis or to ameliorate the possibility of conflict that we not take steps which have very hazardous long-range consequences. To be sure, it might do that in the short run, but the geopolitical consequences of that in the long run would be a disaster in my estimation.

Ms. MYLROIE. Yes, I think Saddam is not suicidal, and that the incentive structure is that if Saddam leaves Kuwait, then there

will be no war, no Nuremberg trial. He can continue to survive. That is the big incentive. This question of—I was the one who mentioned the anti-Americanism and how it related—I believe that it relates to the question of who prevails in this crisis. If Saddam prevails, he has got now built in this ideology, which is anti-American and destabilizing, if he is seen to win, that sentiment will gain.

Mr. MOODY. What if he is seen to be humiliated, wouldn't that promote anti-Americanism, too?

Ms. MYLROIE. No.

Mr. MOODY. If he is identified with the Arab masses, and he is humiliated, that wouldn't promote anti-Americanism?

Ms. MYLROIE. I know some people have said that, but I think that is profoundly mistaken and by now there are sufficient historical precedents.

The big one is Nasser in 1956 when Israel, France and Britain attacked Egypt, the U.S. forced them out of the Sinai, but that caused Nasser to be a hero and anti-Americanism to spread.

In 1967, when the U.S. said if you want Israel to withdraw, you have to sign some kind of agreement with Israel, that defeat of Nasser is what brought some element of stability to the Middle East, so there is a sentiment there which will be exacerbated if someone like Saddam Hussein is seen to prevail. So I don't agree with those who think that one of the problems with a war is this anti-Americanism because Americans kill Arabs.

I think it amounts to who wins and who loses, and that the Arab street really did go with the winners and the losers, besides which, as people return from Kuwait, like the Palestinians who really suffered at the hands of the Iraqis in Kuwait, as much as the Kuwaitis did, there is some growing disillusionment with Saddam because of his brutality.

On the question of an international peace conference, I wouldn't agree with my colleague Graham Fuller about addressing the Palestinian question now because it would be a gain for Saddam.

Saddam can't bring democracy to Kuwait, he can't bring the legitimate rights of the Palestinians. He denies this to so many other people that not only is it a kind of moral contradiction, but the mere addressing of these questions in this context, without the prior at least political defeat of Saddam will strengthen radicals in the region.

Mr. FULLER. Well, obviously I would have to disagree with Dr. Mylroie on some of these issues.

I find it very contradictory to say that if we win and destroy Saddam that somehow we will be popular in the eyes of the Arabs and that if we are accommodating that we will be unpopular. That is sort of damned if you do, damned if you don't to some extent.

I am not urging an international conference in response to what Saddam wants.

On the contrary, I think that what should be done is to say there is no deal for Saddam, that we are going to go ahead with our own politics in the region, but his problem is how to get out of Kuwait. If we can go ahead and also do some work on other regional problems at the same time, that is great.

As I say, let him stew in isolation and an embargo there. He would not be part of that international conference, and it would

not be in his name; it would be conducted by those who were unalterably opposed to him in the region, his enemies will be stealing his thunder.

The terrible irony of this crisis is that Saddam, who is the brutal tyrant, is the man who is somehow speaking of democracies and human rights; few people have violated human rights so egregiously as this man has, both inside his own country and outside.

I think it is imperative that he not be allowed to dominate any of these issues. Most of them can be taken away from him, such as an agreement to work on some sort of comprehensive settlements. That excludes him and has nothing to do with his agenda in Kuwait.

Mr. MOODY. Can I ask a quick follow up, Mr. Chairman?

Mr. HAMILTON. Go ahead .

Mr. MOODY. I gather none of you are urging that we just go to war at some date certain. It sounds as though Saddam Hussein can't be allowed to keep anything, a peace conference is not a substitute, he should be allowed to walk out if he is willing to walk out—that would be seen as a major humiliation—and an attack on a date certain would not produce the right results.

Do those statements stand up?

Mr. POST. Yes. The willingness to back up with clear resolve and to communicate unambiguously that there is no option for Saddam but to back out is very different than believing there is any positive gain to be gained from military conflict, which would have certainly tragic consequences in the region. He needs to know clearly that there is no ambiguity and there is an insistence internationally upon total reversal.

Mr. MOODY. Thank you very much.

Mr. FULLER. If I could just add to that, sir. I think if there is any reward for Saddam for leaving Kuwait, I do suppose that somehow in the end, either the Kuwaitis or the Saudis or others will maybe recognize that there could be a little give on one of these island issues maybe. I think that might end up happening, but it shouldn't be understood as the official price for departure.

A reward for leaving is unacceptable, but we do have other tools here as well, namely the coalition that is in place, there is an embargo, and there are alternative ways we can impose that embargo in the sanctions. We could even allow goods in and out of Iraq after he withdraws except oil, for example, or say, Saddam, you have just lost countless billions of dollars through no income in the last six, eight months that you can ill-afford.

"If you want international support or IMF support or banking or investment or whatever, you have got a lot of negotiating to do about your military installations, and your intentions, and your standing army in the region." I think those are strong carrots to use if he wants to dig himself out from this hole of international Pariah with whom the world will not do business, even if the sanctions were lifted.

We should use those sanctions to our benefit over the longer run and let the Arab states themselves talk about these options too. How do we live in this region in the future?

We don't want just an ad hoc coalition of tribal sheiks against this or that this bad guy, we want some structure that slowly and

gradually is going to be able to deal with any kind of Saddam Hussein that comes along.

We know that monarchies are not the wave of the future in the Persian Gulf, nobody can predict when and how and what will happen. Maybe that is good, maybe that is bad, but it is not the wave of the future. What kind of agreements can we make now about rules of international behavior in terms of future chaos in Saudi Arabia or Bahrain or the United Arab Emirates? These are critical issues of longer range standing that will exist long after the Americans have gone home and Saddam has been beaten back.

We need to think in these terms as well not just about beating back the immediate bully of the region. From my experience in government we have a propensity, I think, to demonize all problems into one guy at one time if we could just get rid of Qadafi, then we could sort of deal with the Middle East, or just get rid of Assad then everything will be okay, just get rid of the Ayatollah, then peace is at hand, or just get rid of Saddam.

The world is filled with bad guys, and we have got to come up with mechanisms other than the Lone Ranger approach where you go in and dispatch the bad guy and then the grateful townsmen all go home.

The townsmen themselves have got to do something about this problem, and we have got to help them do something about this problem.

We do not need to arm them to the teeth, but get them involved with the United Nations in some kind of regional security plan in which we Americans are minor, modest players, advisers and supporters.

SADDAM HUSSEIN—PERCEPTIONS OF THE MAN

Mr. HAMILTON. Dr. Post, I was interested in your characterization of Saddam Hussein as messianic. I don't really disagree with it, but if you stop to think of the way Saddam Hussein has appeared on television lately, it is almost the opposite of messianic.

He really looks like a pretty nice fellow. He is patting children on the head and he is smiling. He is very low key, certainly not giving passionate speeches.

What is up here? Is he masterly manipulating the news media to give us the impression that he is exactly the opposite of what he really is?

Mr. Post. Well, he is not charismatic in the Western sense, but in the Middle Eastern sense of inspiring fear and awe he is. He assuredly does have dreams of glory.

I terms of his "kinder and gentler" posture towards the children, to look at the expression of stark terror in Stewart's eyes as Saddam patted him on the head was a rather graphic message.

I think, while imperfect in his understanding of the West, he has learned really quite rapidly how better to utilize the media. Indeed, I think one of our failures has been not more actively countering his effective manipulation of media images.

It certainly is my understanding though, that his messianic ambitions to be a world class leader and to be the dominant leader in the Arab world are very deep and very profound and one shouldn't

be misled by the urbane posture on television. To walk down the streets in Baghdad and see these larger than life pictures and sculptures of him is to see evidence of a cult of personality rivaling Mao Zedong and Kim Il Song. He modestly allows when he is asked about this, what can I do, they want to do it. He is re-creating the hanging gardens of Babylon as part of his identification with Nebuchadnezzar. So this is a man who does have a grand sense of himself, but indeed he is effective in disguising that behind the urbane, civilized facade.

IMPLICATIONS OF WAR

Mr. HAMILTON. I would like you, the panel, anyone who wants to comment on it, to assume for a minute that we are going to have to go to war and just kind of spell out for me what you think the implications of that are. What would it mean in terms of instability and what would the word instability mean in this context?

What happens to Jordan? What happens to Israel? What happens to other countries or groups in the region? What happens to the United States?

We, I am sure, all assume that we would win, we hope, in reasonably short period of time. What would it mean to win?

Where would the United States stand then? Run through for me, if you would, the military option and the implications of it.

I am not talking about the casualties and that sort of thing. I am talking about the region.

Ms. MYLROIE. Yes, I think the question of winning, what would did that mean, is an important question. If there is a war; will that change the situation?

Does a war have to be for the sake of liberating Kuwait? If there were a war, should the goals be, say, something different like focusing on Iraq's military and sort of leave Kuwait to the embargo or something like that.

It seems to me it would not be unlegitimate from an American perspective if a war were necessary that a primary objective would be the destruction of those weapons which at sometime will certainly be a threat to Europe and perhaps to the United States. As for its political impact in the region, it is inherently difficult to predict because the region is unstable, but I think it would depend a lot about the course of war, a clean, quick victory, and I think Saddam would be quickly forgotten.

If Saddam were somehow to be seen to prevail, then that would sort of incline this Arab street in his direction. So I think an awful lot would depend upon the course of the conflict and how long it took.

Mr. POST. There is a difference between a military victory and the destruction of Iraq. The goal should certainly not be the destruction of Iraq militarily or politically. There is a tenuous balance among major powers in the area—between Iraq, Iran, and Syria, and one doesn't wish to leave a power vacuum which will lead to further destabilization.

Mr. FULLER. Sir, I think the—

Mr. HAMILTON. Let me just pursue that a minute.

You think that it is important for the future of the area that Iraq not be leveled or destroyed but that it emerge with some power so that there is a balance in the region, is that correct?

Dr. POST. That is correct. There is a difference between destroying Iraq and defanging Saddam Hussein. An additional point: To weaken Saddam and his military machine might well lead to the overthrow of Saddam.

We know of no viable civilian opposition, and the prospect of the sanctions leading to his overthrow by civilian opposition seems rather dim. The one group of which he is wary and who do not wish to see themselves destroyed is the military. They indeed might be moved to take over should his disastrous policies be leading to the apparent destruction of the military machine. I think that is one note of slight optimism in this situation.

Mr. HAMILTON. Mr. Fuller?

Mr. FULLER. There is no question that the United States is going to prevail in any kind of a contest. I can't imagine that once having started a war that somehow Saddam would be able to come out of this looking awfully good. But I worry about the legacy of a major conflict. This will be the first time the United States has been engaged in military actions in the Middle East in which tens of thousands of Arabs would be killed. It will leave a very ugly atmosphere in the region for a long time to come.

I think the Saudis, for example, although they are not going to say this in public, are extremely uncomfortable at that prospect themselves, that they would be forever branded as the people who brought the United States military into the region, even though Saddam provoked the problem. It will be the Saudi who sought some outside "imperialist", if you will, forces to lead this war.

Mr. HAMILTON. Let me interrupt you there, Mr. Fuller. Do you mean to suggest by that the Arab countries that we have considered our allies and supporters here do not want to exercise the military option?

Mr. FULLER. Sir, it is my sense that the Egyptians and the Saudis in particular, and probably Assad as well, understand that there are some very profound negative features to military conflict, but at this point nobody wants to talk very much out loud.

You remember Prince Sultan's statement, the defense minister, a couple months ago. I think he was speaking with what was the voice of the real Saudi Arabia, which is misgivings about the down sides of a military conflict, but nobody wants to speak in a way that is going to give comfort to Saddam or seem to be breaking up the alliance. But everyone in the region recognizes that there is going to be a formidable legacy to live with after this is over.

The problem of Israel is particularly concerning to me at this point, too, because Saddam at that point might well try to sort of make some token strike against Israel and bring them in.

I don't know what the levels of Israeli tolerance for this would be, whether there would be itching to get in at this point and take some action or what it would take to do it, but if the Israelis come in, as many Israelis told me when I was there a week or so ago, if they are going to be flying sorties over into Iraq, they have got to take out in advance Jordanian air defense because they can't be exposed to a Jordanian threat.

It might possibly bring Israel into conflict with Syria, as well, if you fly over into that region. The possibilities of expanding the war, to me, are very worrisome indeed. But every member of the coalition is afraid of U.S. absence of staying power in even the sanctions, that in the end we might say, "oh, well, nobody likes the Emir of Kuwait anyway, and there is enough oil to go around, so maybe we should even pull back on that". That will have been a disastrous defeat for everybody, including the United States, the abandonment of sanctions before—

ROLE OF ARAB FORCES IN COALITION

Mr. HAMILTON. Let me ask you this, if President Bush decides sometime after January 15th that we have got to go to war and the American forces move across the border, will the Arab forces there follow us?

Mr. FULLER. I couldn't comment on that, sir. I think that is a very specific kind of situation. I think, and I could be corrected on this by others who have followed more intimately on the military side, there has been explicit suggestion by the Saudis and the Egyptians that they would not go into Iraq in any case. So what the benefits in an offensive war would be of those forces I'm uncertain.

Certainly in a defensive mode they have considerable significant importance, but in an offensive situation I think it is quite tricky to know what real role they would undertake, having already ruled out participation in a conflict against Iraq on Iraqi soil.

Dr. POST. I think there is a premise to your question which is worth underlining with which I agree. To the degree this is a United States action and perceived unilaterally, it has some very negative long-range consequences. To the degree the United States is taking the leadership in an international coalition to work together to contain this and reverse this action, then it does not have the same negative consequences.

So part of this is perception, but part of it also has to do with the degree to which we keep working to hold together and work with the international coalition.

Mr. HAMILTON. Ms. Mylroie?

Ms. MYLROIE. I guess I would have a different assessment than Mr. Fuller about the Arab position on a war, that the Saudis are split, with King Fahd even perhaps preferring a military option and others, the defense minister, perhaps more cautious about it.

The smaller Gulf states, Bahrain, certainly Kuwait, officials have spoken out in favor of a war, so this is just to add another view that there are certainly differences of opinion, with some Arab states very much in favor of a war and then of course there is the Israeli position, and one of the things that has to be thought about is what will happen between Israel and Iraq if at the end of this Iraq is seen by the Israelis as a threat, what influence will the U.S. have over Israeli action to the extent that Israel feels endangered by Iraq.

Mr. HAMILTON. Mr. Berman.

Mr. BERMAN. It is Mr. Goss.

Mr. HAMILTON. I am sorry, you are right, Mr. Goss. I apologize, Mr. Goss.

IMPLICATIONS OF NO-WAR SCENARIO

Mr. Goss. I do have one short sort of followup. Cancel the war and now put yourself in a position from today until January 15th and from January 15th thereafter, assuming no use of force, notwithstanding the preparation of force, but no use of force. Let me ask this question on the cumulative testimony we have had.

The question is what is ahead? Are we going to get more offers, an island here, an island there, the slice theory, 80 percent of this, a little bit of an oil field, nice sweet carrots or are we going to get more sour, more terrorism, more hostage-type situations?

Are we going to see more miscalculations because of this failure to understand the West or bad advice or sycophants surrounding are whatever the proposition is? Are we going to see a willing voluntary abandonment of the disproportionate part of the military muscle that the Iraqi army has?

Are we going to see any indication that the leadership cares at all about the Iraqis, the people of Iraq as opposed to the Baath, the leading party, and I do make that distinction.

Mr. Fuller, I don't know whether you did or didn't, but it didn't sound like you did, so I would like to hear you particularly on that. What I guess I am asking is what are we going to be reading in the newspapers in the absence of use of force in the days ahead in this situation?

Dr. Post. Well, one thing we can certainly expect is that the shrewdly manipulative Saddam will be attempting, with every tool at his disposal, to split the international alliance, and to magnify and play to what he senses as the growing lack of support within the United States. He watches CNN along with the rest of us, and I would see using as many gambits and techniques and maneuvers as possible to forestall that hazard. So that this is a very dynamic situation, and as he approaches that January 15 deadline, the question of whether he does withdraw or not will in part rest upon whether he senses the resolve internationally and within the United States to pursue that policy.

Mr. Goss. So in fact how we react here is going to color the decision and is not only making the news, but we are reading the news as we are making the news?

Dr. Post. That's correct.

Ms. MYLROIE. Was your question about after January 15 or—

Mr. Goss. No, it was assuming the same situation that we are not in a hot conflagration-type situation, that force is not being employed. The reason I said that is, I was trying to take force as an active factor, not as an active, being used, factor out of the formula.

Ms. MYLROIE. I think if that is there for the longer term, we will see this carrot and stick business, both offers and sort of terrorism, but also I think that the logical thing is an attempt to focus on the Palestinian question because it is an issue which is waiting there to be addressed.

Saddam wants to shift attention from Kuwait, and the Palestinians themselves want that issue addressed, so what I would expect is that if he has time, this is the issue he is going to put number one on the international agenda. Forget about Kuwait is going to be his idea.

Mr. FULLER. Sir, I think there is no question that we are going to be in for some very tough bargaining. Saddam is going to wriggle and squirm in every way possible and attempt to test us at every turning to test whether we were serious about the military option and whether we are serious about the longer range sanctions.

I feel pretty positive about the sanctions in that I don't think there is a strong pressure from almost any side for anybody to abandon the sanctions. They are about as cheap a method as you can find.

Those few countries who are suffering from them are already being helped, Turkey, Egypt, and others. Terrorism, good question.

TERRORISM

During the Gulf war, I remember when I was at CIA we were convinced that the Iranians were going to raise holy hell throughout the region with terrorist capabilities and Shiites everywhere to do something. In the event almost nothing happened. It was astonishing how little actually took place.

Mr. GOSS. Why was that, do you know?

Mr. FULLER. I think we felt it was probably a question of capabilities and the ability to press buttons and have things happen quickly and generally the recognition that terrorism could cut two ways.

I think it has been made clear to Saddam by many sources that this could be very costly to him if suddenly terrorists spring up here, there and elsewhere. There has been so far almost no hint of it, even in the days when Saddam was in a less seemingly tractable mood than he is now. It is very dangerous to say we will not be having a lot of terrorism, but I do not know that he now has the ability or the will to unleash a lot of terror in the absence of a war situation.

I don't know why it hasn't happened already if more is going to happen in this way.

IRAQI AND ARAB SUPPORT FOR SADDAM HUSSEIN

In terms, sir, of the Iraq versus the Baath, you are absolutely right. I would distinguish sharply between the Iraqi people and the Baath party.

Everybody hates Saddam in the country. More than hating, hating is a luxury. Fear is pervasive. It is palpable in Iraq in a way that it isn't in any other country in the whole Middle East, including Syria.

I think no one in the Arab world really likes Saddam, either. But that is not the point.

The problem is regional people saying, "Of course, we don't like Saddam and, of course, he is a tyrant and he is brutal, but you in America seem to uniquely single out this guy as the one demon and are ignoring all the other things, all the other people that are

being killed in the Middle East, the lack of democracies, your allies who don't run very democratic states, either, Palestinians that are being killed by Israeli air raids and civilians, Palestinian civilians in Lebanese camps, this kind of thing, why are you singling out this one man as the sole source of evil?"

In this sense, they will support him if he is singled out as the embodiment of all evil.

Dr. POST. But not everyone hates and fears him. Certainly the Palestinians are seeing him as a hero. We see the support rallies within Jordan and within the occupied territories. They see Saddam as someone who will have the courage to stand up for them.

Mr. FULLER. Desperate Palestinians will cheer him because he makes them feel good, but I think already we see within the Palestinian community deep misgivings about the very stupid blunder of Arafat to run off and sit and hold Saddam's hand in the course of this conflict.

Even Arafat himself knows that the gateway to a Palestinian state does not lie through Baghdad and never will, and lots of Palestinians around him, even within the PLO, are beginning to take issue with him on this very profound blunder that is costing Palestinians dearly who live in the Gulf as well.

Mr. GOSS. Thank you, Mr. Chairman.

Mr. HAMILTON. Mr. Berman.

Mr. BERMAN. I am a little confused and perhaps you folks could clarify it.

Mr. Moody said, "Well, I take it none of you, then, are urging the war or the offensive option," and there was some mumbling as if there was agreement with that statement.

It sounds to me like I am hearing very contrasting views from Laurie Mylroie and Graham Fuller. Laurie Mylroie's testimony sets forth a series of reasons why a sort of "stay the course" sanctions policy is perhaps the higher risk policy, whereas Graham Fuller is, I think, very clear on thinking that the risks and the negatives of the offensive far exceed any benefits in terms of the U.S. position in the Middle East and generally.

Am I right about that conclusion?

Ms. MYLROIE. I think that is correct.

Mr. FULLER. Yes, sir.

CONTINUED SANCTIONS VERSUS RESORT TO FORCE

Mr. BERMAN. Dr. Post, I am also a little confused.

In response to the Chairman's very first question, everybody on the panel said they support the way the Administration has conducted this policy up until now, part of which is to leave the threat of force as a very credible option.

Is that a fair conclusion?

Dr. POST. Yes.

Mr. FULLER. Yes.

Mr. BERMAN. Mr. Fuller, I understand you don't want force used to deal with the issue of the Iraqi military capability. Are you also suggesting you don't want force used to deal with their withdrawal from Kuwait?

You think the sanctions approach should be allowed to work and to your best estimate would work to achieve that goal as well?

Mr. FULLER. Yes, sir, there is no way the sanctions will not work over time. What we don't know is how long that time is. There are down sides to waiting for the sanctions to work, but I would argue that they are vastly less than the down sides of military conflict.

Mr. BERMAN. Why do we need 400,000 people in Saudi Arabia to let sanctions work? I mean, you need some ships, you need some enforcement mechanism, but why do you need, 200, 300, 400,000 forces?

Mr. FULLER. I can't address the exact number of troops that would be required to be convincing to Saddam that we meant it, that if he chose to go to war, that he would be decimated, and that we are prepared for any option. I think troops lends credence to our position, but the exact number of troops required to lend that credence, now that the defensive mission seems to be largely over, I can't say.

Mr. BERMAN. I don't see how you can say that the threat of war is useful. What is the threat of war as a meaningful tool unless it is backed up by the willingness and in a sense the advisability of going to war?

Mr. FULLER. Well, the world is hearing from many people about the fact that there are profound and good reasons for us to go to war. I very much hope Saddam is hearing and listening to these statements and recognizes that there are many people that see it as desirable, that there are many who are concerned not only with Kuwait, but with the longer range problem of Saddam's presence there. He has got to get the message that there is a whole lot of concern out there about what he is doing and what his future intentions may be. So in this sense, I think the credibility of the military option must remain, but it doesn't detract from a willingness to stay the course with sanctions.

I don't see a contradiction, in other words, sir.

Mr. BERMAN. Well, could you comment on the suggestions of Laurie Mylroie. First, that if a decision is made to use offensive capability, focusing on aerial efforts to deal with Iraqi military capability, presumably the first priority is Iraq's non-conventional weapons capabilities, with the second priority their conventional military capability. Second, that as far as offensive efforts to force the Iraqis to withdraw from Kuwait, allow the sanctions effort that you think would work over the long term to achieve that goal.

Mr. FULLER. In other words, you are asking me once war has begun, in effect—

Mr. BERMAN. Well, no. In effect, as I heard Ms. Mylroie, she is suggesting the dangers of a just "sit and wait" attitude, but doesn't assume this as to be—that the objective of the offensive is to remove the Iraqis from Kuwait.

Perhaps the objective should be first to deal with the Iraqi military capability and then to allow the sanctions and the consequences of an aerial offensive, to deal with the Iraqi presence in Kuwait.

Mr. FULLER. I think those long-range goals are obviously present. It isn't just a question of getting out of Kuwait. That is the bottom line, and the bottom line for a willingness to then see where the

situation goes. I think if we can get Saddam out of Kuwait, we have bought some time. There are some very profound issues that Laurie Mylroie raises.

I am not sure there are grounds for concern about the Iraqi missiles raining down on the United States with nuclear war heads in the near future; but over the longer run, we are going to have to deal with potential issues of this sort, and here is where the instruments that we have put in place now and hope to put in place in the future will have to deal with that, but I don't know that we have to deal with that today or tomorrow. If Saddam has gotten the message at least to get out of Kuwait and we have our sanctions, and we have the question of whether he is going to be held chargeable in a tribunal, whether the world is going to deal with him as a normal state or as rogue actor on international scene, the extent to which he will be given economic privileges, investment aid, all of these kind of things, all of these are the tools with which to play as we deal with the problems that lie beyond Kuwait.

We can't just liberate Kuwait and go home. That is not enough, but I think the good thing about the sanctions is that it would seem to be a very long-range policy, even more effective over the longer range than the presence of American troops in Saudi Arabia for years, which I think would be utterly destabilizing, for example, to the Saudi regime.

Mr. HAMILTON. I have got a good many more questions, but I have also run out of time, and I apologize for that. We have had a good session with you this morning, and I want to express my appreciation to you for your testimony.

Do you have any concluding comments you want to make at this point?

If not, the subcommittees stand adjourned.

Thank you very much.

[Whereupon, at 11:10 a.m. the subcommittees adjourned subject to the call of the Chair.]

APPENDIX 1

SUPPLEMENTAL QUESTIONS SUBMITTED BY THE SUBCOMMITTEE ON EUROPE AND THE MIDDLE EAST TO THE DEPARTMENT OF STATE AND RESPONSES THERETO

I. UNITED STATES POLICY TOWARD IRAQ BEFORE AUGUST 2ND

1. On September 1, 1990 Iraq was put back on the list of countries supporting international terrorism, a list Iraq was taken off of in the early 1980s.

- Why was this action taken only two weeks ago when government officials have known for months that Iraq is helping Abu Abbas and others and providing safe haven, logistical support and other help to well-known Palestinian extremists and people involved in international terrorism?
- How do you respond to the charge that frequently over the past several years there was evidence of continuing Iraqi support of international terrorists, if not in carrying out specific incidents, then in providing safe haven and logistical support, including allowing individuals to travel on Iraqi diplomatic passports?

A: Until recently we did not have concrete evidence that in fact Iraq was actively aiding terrorists to carry out their activities. But now, the Iraqi leadership is directly involved in terrorism by unlawfully detaining American citizens -- holding them as hostages and human shields. In addition, Iraq resumed support to terrorist groups such as the Abu Nidal Organization (ANO).

II. UNITED STATES POLICY IN THE GULF

1. Is it accurate that Soviet maritime ships are transporting some United States military equipment to Saudi Arabia?

- How did this happen?

A. Soviet maritime ships are not transporting U.S. military equipment to Saudi Arabia.

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2. Two of the possible military objectives in Iraq which have been mentioned are: a) a strategic strike against some or all of the 20 major military sites inside Iraq; and b) a strike designed to topple Saddam Hussein.

- Are such strikes feasible in your view?
- What do you think would be the costs of such strikes in financial and human terms?
- At present time, do you think that you could maintain the international consensus on confronting Iraq if you adopted either one of these two objectives?
- Given the extraordinary security precautions which seem to surround Saddam Hussein (he moves the place he sleeps almost daily and his food taster is his cook's son), wouldn't it be difficult to engineer a strike against Saddam Hussein?

A. As you are aware, we do not discuss the specifics of our military planning activities nor do we find it helpful to speculate about the outcomes of hypothetical scenarios.

With regard to the broader range of possibilities, the President said that while we seek a peaceful, diplomatic outcome, he has not ruled out other options.

3. Is it accurate that at this time neither of these objectives (a strategic strike against key military sites in Iraq or a strike against Saddam) are objectives of American policy?

- Why are they not objectives of policy?
- Is it your judgment that accomplishing these objectives is not essential to achieving the four stated objectives of U.S. policy?
- How do you counter the argument that if you do not make these objectives of policy, we are only putting off a problem which we will have to confront again in a few years, at higher costs?

A. The President and the Secretary of State have made clear that Iraq's unprovoked aggression must not be permitted to stand. Toward that end they have not ruled out a military option.

Removing Saddam Hussein from power is not one of the stated objectives of U.S. policy, nor one that the United Nations resolutions have addressed.

With regard to the longer term, we will need to work together with the governments in and outside the Gulf to build a more durable order. We will want to ensure that our friends in the area have the means to deter aggression and defend themselves. We will work with the rest of the regional and international community to prevent Iraqi expansionism as well as Iraqi efforts to acquire and produce weapons of mass destruction.

4. What do you see as the implications for the Middle East region of the emerging alliance of Morocco, Syria, Saudi Arabia and Egypt?

- Do you see this group as a positive force?
- Do you see its interests as similar to our own?
- To what degree is this grouping likely to have the same fate as other alliances in the Middle East in the past - temporary, subject to sudden changes, and usually based on the theory of the-enemy-of-my-enemy-is-my-friend?

Answer

A broad regional coalition including Egypt, Saudi Arabia, Syria, the Gulf states and others has been an essential element in fostering the international consensus opposing Iraq's aggression. This regional coalition, bound by the principle that Saddam Hussein must be denied the fruits of his aggression, has supported our strategy of isolating Iraq politically, economically, and militarily. Their support has been vital to our strategy in the Gulf, because they created an Arab political framework for the Saudis to request outside military support. These states see their future imperiled if Iraq succeeds in Kuwait.

Some of the regional ties being forged in this crisis may well enhance opportunities for long-term security and stability in the Persian Gulf. We will look for ways to strengthen such ties to build a safer future in which states in the region can live in peace and security.

III. SITUATION TODAY IN KUWAIT AND IRAQ

A. Situation today inside Kuwait:

1. What form of administration have the Iraqi occupiers put into place?

Saddam Hussein appears to be relying on close advisors to administer occupied Kuwait, but the precise structure of the Iraqi administration is not known.

- Have the Iraqis moved in their own people to colonize Kuwait?

There are continuing reports of Iraqis being brought into Kuwait, and some may intend to settle permanently.

- Who is in the new government in Kuwait and have any of those new government officials Iraq said it was installing in early August in fact taken positions in Kuwait?

Iraq has scrapped the puppet government it originally tried to install in Kuwait, and has formally annexed the country. The figures earlier announced by Iraq to be members of the puppet government have disappeared from public view.

- Is this new government doing anything other than patrolling the streets?

The Iraqi occupation authorities now govern Kuwait, relying on Iraqi and expatriate residents of Kuwait to maintain essential public services.

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- Are any Kuwaitis working with the Iraqis?

There are no credible reports of significant Kuwaiti collaboration.

- Are reports accurate that some Palestinians are collaborating with the occupation?

There are press reports of some Palestinian collaboration, although the extent is unknown. The press has also indicated that some Palestinians are also working with the Kuwaiti resistance.

2. What is the nature of the Kuwaiti resistance?

The resistance consists of both full-time cadres and part-time auxiliaries.

- Who is involved in the resistance - former police, military people, civilians, men, women?

Kuwaitis from a wide variety of backgrounds, including some women and some members of the ruling family are participating.

- What are the targets of the resistance?

Primary targets include Iraqi troops, vehicles, and other equipment. The resistance has also help sustain and protect American and other foreign nationals being sought by the Iraqis for detention.

- How effective has it been?

The resistance has inflicted tangible losses on the Iraqi occupation forces. Perhaps even more important, the resistance is the symbol of Kuwaiti determination not to submit to the forcible takeover of their country. As President Bush noted in praising their "valiant efforts", some members of the resistance have already "paid the ultimate price".

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3. Who is supplying and training the Kuwaiti resistance?

- Are we providing arms and training?
- Why are you reluctant to discuss such a U.S. role?
- Are the Saudis providing funds, bases, and logistic support to the Kuwaiti resistance?

It would not be appropriate to respond in open session before this committee on these issues.

- What role is the Kuwaiti government-in-exile playing in support of the resistance?

The exiled Kuwaiti government is mounting a global campaign to build support for Kuwait's position against Iraq, and to consolidate its authority and functions. In this context, the government is providing material and moral support to the resistance.

4. How many Americans have been moved out of Kuwait in the custody of Iraqi forces?

The Iraqis are holding more than one hundred Americans in custody, most of them taken from Kuwait.

- Do we have any idea where they are now being held?

We believe they are being held at various key military and industrial sites.

- Are the Iraqis continuing to try to round up Americans in Kuwait?

Yes, it appears that attempts to round up Americans and others are continuing.

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B. Situation inside Iraq:

1. What is your assessment of Saddam Hussein's popularity within Iraq?

- Is there genuine popular support for the seizure of Kuwait?
- Are top officials in the Baath party still lined up behind Saddam Hussein?
- Does the officer corps support the invasion of Iraq?
- Are reports accurate that Saddam executed officers who opposed the invasion of Iraq?
- Has there been any other resistance in Iraq to the invasion of Kuwait?

A: Public opinion is especially difficult to measure in a police state like Iraq. Popular resentment of the Kuwaitis has long been widespread in Iraq. The occupation of Kuwait appears to be popular with many Iraqis, but it is difficult to gauge the depth of that support within the various strata of Iraq's closed society or the extent to which it may translate into personal popularity for President Saddam. We cannot confirm reports of dissension or executions within the military.

2. When you look at the potential sources of opposition to Saddam Hussein, how do you evaluate the following groups:

- o Iraqi exile groups?
- o The Kurdish population in the north?
- o Shiites in the south?
- o Domestic opponents in Baghdad?
- o The military?
- Are Saddam's opponents basically too weak and too divided to make much of a difference?

A: Saddam Hussein presides over a repressive police state that does not tolerate dissent. While there are occasional reports of opposition activity, no group appears to pose a serious threat to the regime at this time.

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3. What is the situation in northern Iraq?

- Is there still an active Kurdish resistance in the north?
- Is the situation in the north too precarious for Saddam to pull troops out to send south?

A: There is no indication of significant military activity in northern Iraq by Kurdish resistance groups in recent months. The Iraq Government continues to maintain a significant military presence in the region.

C. Sanctions and Compliance

1. UN Security Council Resolution 666 of September 13th allows the shipment of food to Iraq for humanitarian purposes, when distributed by international relief organizations.

- Is this Resolution intended to undercut a drive to circumvent the sanctions?
- What food shipments will be allowed, if Iraq refuses admission into the country of international relief organizations?
- Do you think this Security Council resolution will make any difference to commercial exporters trucking food across the border from Jordan, or will it simply encourage them to ship food to Iraq as they did previously?

A. According to Resolution 666, food shipments may be sent to Iraq only when the UN's Sanctions Committee determines that "humanitarian circumstances" arise. In other words, the intention of the resolution was to assure that food relief shipments be carried out in conformity with UNSCR 661.

Since its passage, Iraq has allowed a cargo ship, chartered by the government of India and loaded with 10,000 tons of foodstuffs, to enter Umm Qasr, an Iraqi port. The food was originally intended for Indian nationals stranded in Iraq and Kuwait, but the Indian government has since offered to share it with other foreign nationals who are also stranded in the area.

We have received information that a private Jordanian charity has organized three convoys to Iraq carrying food, milk, and medicine to the "children of Iraq".

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Under the relevant Security Council resolutions, humanitarian shipments of food such as this one should be approved by the UN's Sanctions Committee, and should not be the unilateral decision of any government or private organization. We have made these concerns known to the Jordanian government.

Finally, in response to the last part of your question, we believe Resolution 666, by providing UN control over the process, makes it more difficult for potential suppliers to send food to Iraq under the guise of "humanitarian" shipments.

2. What impact will blocking air shipments have?

- What enforcement measures would you use?
- Will air forces overfly Kuwaiti or Iraqi territory to enforce an air blockade?

A. The United Nations Security Council adopted Resolution 670, which addressed the issue of air transportation, in order to strengthen the trade sanctions against Iraq.

A key provision requires a state to deny permission for aircraft to take off from its territory if it carries cargo destined for Iraq.

The resolution is binding on every member state of the United Nations, and the states themselves are required to enforce it.

The resolution has been quite effective.

3. Do you have any evidence of military resupply to Iraq?

- What are China and North Korea doing?

A: The extent of cooperation on the arms embargo against Iraq is impressive. We have seen no evidence of major military resupply to Iraq. A few cases of ongoing activity have come to our attention, but these seem to be non-governmental firms or Iraqi feelers to traditional suppliers that either we or the

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host government have been able to turn off. We have been in regular contact with the Chinese and they are living up to their commitments to the UN resolutions. North Korea is obviously a potential loophole for the Iraqis, but as yet they have not been a major problem.

4. Does Brazil continue to conduct trade with Iraq?

- What type of trade is Brazil doing with Iraq - food, medicine or military equipment?
- What volume of trade is taking place?
- How is Brazil accomplishing this?
- What motivation does Brazil have in violating UN sanctions?

A. We have no indication that Brazil is conducting trade with Iraq in violation of UN sanctions.

5. Given the violations of the UN sanctioned embargo of Iraq by Jordan, Yemen, Iran, Brazil and perhaps others, has the Bush Administration considered actions to limit such violations?

- How would you rate Iran, Yemen and Jordan - 50% compliance, 80%, more or less compliance?
- Does the Administration plan to use carrots, sticks or international isolation?
- Are you considering cutting assistance to Jordan or to Yemen?
- Are you urging the Saudis to put the squeeze on Yemen and Jordan?

A. By and large, world-wide cooperation in sanctions enforcement has been excellent.

The USG brings reports of suspected violations to the attention of appropriate authorities of the country in question. The responses have been generally satisfactory and we continue to work actively with foreign governments to improve enforcement.

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At present, our best information would indicate that Iran, Yemen, and Jordan all can be given of a score of at least 80% compliance.

We are constantly reviewing our assistance programs to the countries affected by the current Gulf crisis. In fact, the US is participating in a multilateral donor effort designed to assess the needs and coordinate relief. In the case of both Jordan and Yemen, U.S. assistance levels remain at their pre-crisis levels which total \$85 million for Jordan (which is earmarked for foreign military sales and the economic support fund), and \$42 million for Yemen in FY90.

We have urged the Saudis and other donors to encourage adversely affected states to comply with UN resolutions, not to punish potential backsliders. Saudi Arabia recently decided to halt economic and military assistance to Yemen and stop oil shipments to Jordan due to non-payment. The Kingdom also significantly reduced the diplomatic missions of both countries in Saudi Arabia.

IV. DEPLOYMENTS/BURDENSARING

A. Allied Burdensharing:

1. According to the GAO, the Earnest Will operation cost approximately 670 million dollars (excluding transportation costs) of which the U.S. incurred approximately \$270 million, France approximately \$227 million and the U.K. approximately \$67 million. In contrast, Japan contributed approximately \$500 million in loans and credits to Oman and Jordan and another \$9 million for a Gulf navigation system. West Germany provided naval forces in the Mediterranean, thereby freeing the naval forces for relocation to the Gulf. South Korea did not contribute to the operation at all.

- Can a parallel be drawn between the reflagging of the Kuwaiti tankers in Earnest Will and the current situation?
- What can we do to make sure that affluent creditor nations - Japan, Germany and South Korea - do more to meet their fair share?

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A. Because of the completely different circumstances surrounding the current crisis, it would be inappropriate to make any comparisons with reflagging or Earnest Will.

Japan has made a substantial contribution to the world community's effort to stem Iraqi expansionism. Japan has pledged \$2 billion through 1991 to support the multinational force in the Gulf, most of which will go to providing material and equipment for U.S. forces and paying for logistical support. Japan has also pledged \$2 billion to Jordan, Egypt and Turkey, the countries most affected by the imposition of sanctions against Iraq. A third part of Japan's aid is \$22 million in assistance for refugees in Jordan.

The Republic of Korea (ROK) has pledged \$220 million in assistance to the multinational force and the front line states. This includes \$95 million for support for the Multinational forces and \$75 million in economic assistance to the front line states through 1990. The ROK will provide another \$50 million in economic assistance through 1991. Although it is not a member of the United Nations, the ROK strongly supports UN Security Council resolutions on Iraq.

Both Japan and the ROK are members of the Gulf Financial Coordinating Group, which coordinates donor country economic assistance to states whose economies have been adversely affected by the crisis. Should the need arise for further economic assistance, we would consult closely with these and other members of the group on what could be done.

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Germany has committed \$1.05 billion in military assistance including \$256 million to the U.S. to cover lift expenses, \$640 million in military equipment, and \$130 million for chemical detection equipment. Germany has also pledged \$630 million in economic assistance to Egypt, \$130 million to Jordan, and \$71 million to Turkey.

B. Implications

1. The Bush Administration has worked hard to build an international consensus and to make this operation a truly international operation. What have the European and Asian allies asked for in return?

- What does consultation involve?
- What voice do those who send forces to the Gulf have in the decision-making process?
- Does this constrain U.S. ability to respond to the evolving situation in the Gulf?

A. As you have noted, we have worked from the beginning of the crisis to foster a coordinated international response to Iraq's aggression. The results have been extraordinary and unprecedented.

European, Asian and African states have contributed to the multinational force in the Gulf. They have done so not at our request, but at the request of the government of Saudi Arabia and because they recognize the necessity of resisting blatant acts of aggression. These states have not asked the U.S. for anything in the form of a quid pro quo in return for their participation in the multinational force.

Throughout, we have stayed in close touch with our allies on all aspects of the problem, including consultations on responsibility sharing, sanctions enforcement, and the coordination of

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arrangements for the multinational naval force in the region and the multinational ground forces in Saudi Arabia and the other Gulf states.

Each force contributor discusses with Saudi Arabia and other allies any decisions required of them. This does not constrain U.S. ability to respond.

2. A significant number of troops and equipment now in the Middle East are NATO forces which have been pulled out of Germany for this operation. For example,

- o the British 7th armored brigade;
- o a Canadian squadron of fighter aircraft; and
- o F-15s sold to Saudi Arabia.

- How does this affect NATO?

- Given the combination of major reductions of force levels in Europe and Secretary Baker's calls for a regional security framework in the Middle East, can we assume that the forces being pulled from Europe will form the backbone of this new initiative?

- If not, can we expect that these troops and equipment will go back to Germany at the conclusion of this conflict?

A. This movement of Alliance equipment and personnel for temporary duty in the Middle East has not had an adverse impact on the security of NATO. Even though these forces are temporarily assigned to the Middle East, they remain committed to NATO.

Forces in the Middle East are part of a multinational effort to contain the Iraqi aggression. Beyond meeting the current requirements, there are no plans for these forces to remain in this region.

The future disposition of these forces is dependent upon both the status of multilateral agreements and NATO's security requirements at that time.

V. VIEWS IN THE ARAB WORLD

A. General:

1. Is the Iraqi strategy to rally support through bribes (to Ministers in Mauritania and the Sudan) military assistance (to Mauritania, Sudan, and Yemen) and intimidation (Jordan)?

- How much success is Iraq having?
- Is Saddam Hussein gaining or losing support?
- What steps are the Saudis and Kuwaitis taking to counter Iraqi strategy in the Arab world?

A: In recent years, Iraq has developed active programs of military assistance or cooperation with Mauritania, Sudan, Yemen, and Jordan. However, Jordan has said it would comply with sanctions mandated by the United Nations and voted with the Arab League to support U.N. resolutions 660, 661, and 662. Sudan, after some hesitation, announced that it would respect the U.N. resolutions concerning Iraq. Yemen, though it has a mixed record in early Security Council votes on Iraq and opposed the Arab League resolution condemning Iraq, voted in favor of resolution 670 and has stated that it would comply with all U.N. mandated sanctions. Mauritania tried to avoid taking a clear position in support of sanctions, but has informed the U.N. Secretary General that it would implement UNSCR 661. Mauritania's Foreign Minister opposed the Iraqi occupation of Kuwait and condemned hostage-taking at the UNGA.

Saudi Arabian and Kuwaiti diplomats have been active throughout the Arab World since the crisis began. The effectiveness of their efforts was indicated by the support of a majority of Arab League members for the multinational force in the Gulf and by the fact that nine Muslim countries have pledged or already sent units to the multinational force.

B. Syria:**1. What accounts for Syria's support of the international effort against Iraq?**

- Hatred of the rival Baath party in Baghdad?
- Syria's desire to break its isolation?
- Loss of Soviet military and economic support?
- Or Gulf state economic sweeteners?

A: Syria's involvement may reflect, to one degree or another, all of the factors noted in the question above. In the final analysis, it is a calculation by the Syrian Government of its own national interest. The multinational effort to force Saddam Hussein to withdraw from Kuwait and to restore the legitimate Kuwaiti government would weaken Syria's chief ideological and political rival in the region. It also can consolidate Syria's relations with Egypt, Saudi Arabia and the Gulf states. The financial assistance to Syria by the Gulf states is a welcome benefit for the seriously strapped Syrian economy. A decline in the Soviet aid commitment to Syria over the past several years makes Gulf aid even more welcome.

C. Jordan:**1. Is Jordan getting pushed by its vocal Palestinian majority to support Saddam?**

- What practical differences are there in the views of King Hussein and the views of the PLO leadership on the Gulf crisis?
- What is the significance of the return of George Habash and Nayeh Hawatmeh to Amman, after 20 years' absence following Black September, 1970?
- What is the opinion of the 1/3rd of the Jordanian population which is not Palestinian?

A. Yes. King Hussein and the PLO leadership both have constituencies, disillusioned with lack of movement in the peace process, which find Saddam's linkage of the Gulf crisis with the Arab-Israeli dispute attractive. There is little practical difference in views.

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The recent visit of Habash and Hawatmeh to Jordan -- the first such visits allowed since their 1970 expulsion -- followed efforts by the PFLP and DFLP to compete for influence in Jordan's liberalized political system. Since Palestinian support is indispensable to the kingdom's stability, King Hussein has tried to improve ties with most PLO groups over the past year. The Habash/Hawatmeh visits apparently are part of those efforts, which include trying to moderate PLFP and DFLP policies by forcing these groups to abide by Jordan's political rules.

While we recognize the constraints mentioned above on Jordan's policies, we nevertheless expect Jordan to continue to tighten its application of sanctions and distance itself from Iraq.

D. Yemen:

1. Why has Yemen taken a strong stand for Iraq?

- Is it the personal relationship of President Saleh with Saddam Hussein?
- Are the Yemenis trying to twist the knife a little and stick it to the Saudis, with whom they have a traditional rivalry and border differences?
- Do the mostly poor Yemenis have the same grievance as the Iraqis against the super-rich of the Arabian peninsula?

Yemen has long had close relations with Iraq and was the only country to send combat troops to fight alongside Iraqis in the Iran - Iraq war. Following the war, Yemen received economic and military aid from Iraq and became a member of the Arab Cooperation Council on Iraqi initiative.

Yemenis have longstanding historical grievances against Saudi Arabia. In addition to disputed borders in the east, the late Saudi King Abd al-Aziz seized considerable (and agriculturally rich) territory from Yemen in the early 1930's. Despite having

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signed a treaty reflecting the Saudi gains, Yemenis still resent that loss. Since the oil boom in the sixties and seventies, more than two million Yemenis have gone to work in Saudi Arabia.

Yemen is one of the poorest countries in the Arab world, but very proud of its ancient culture. Not surprisingly, there is resentment against the Saudis in Yemen.

2. Do you see any change in Yemeni positions on the crisis or is there still strong support for Iraq?

Many Yemenis are emotionally sympathetic to Iraq. President Saleh has assured us, that while Yemen abstained on imposition of sanctions in the UN Security Council, it will honor the sanctions. We believe it has largely done so.

3. Is there a difference of opinion in North Yemen and South Yemen on the Gulf crisis?

- Do the leaders of the former South Yemen take a more critical view of the Iraqi invasion?
- Are the tribes in Yemen closer to the view of the Saudis than to the views of their own government?

The differences between the former North and South on Gulf issues are not clear cut. When several anti-American demonstrations broke out in the early weeks of the crisis, they occurred in the former North. Nothing similar has occurred in the South although some former Southern officials have indicated a sympathetic view towards Iraq. North Yemen has had close relations with Iraq for several years, while for the South the Kuwaiti connection had been quite important.

Some Yemeni tribes have a long history of close relations with Saudi Arabia, but it is difficult to generalize about tribal views on the Gulf situation.

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E. Iran:

1. Iraq has agreed to Iran's terms at the Gulf War peace talks, prisoners have been exchanged, the al-Dawa prisoners from Kuwait have been released, and the two states have announced the restoration of diplomatic relations. How far do you expect Iran to go in responding to Iraq's desire for better relations?

- Do you expect a modest improvement of relations between the two countries?
- Or do you expect the development of an alliance between Iraq and Iran against the western forces assembling in the region?

A. We expect modest improvements in the relationship between Iran and Iraq to continue. However, these improvements will be sharply limited by longstanding suspicions of each other's regional ambitions and the residue of hatred left over from their brutal eight-year war. In our view, it is unlikely that Iran will make common cause with Iraq against the multinational forces in the Gulf. Iran's long-term interest in emerging as the Gulf's major power is not well served by helping Saddam Hussein succeed in his confrontation with the international community.

2. On what basis are you prepared to improve relations with Iran?

- Are reports accurate that you are near resolution of two large remaining claims at the Claims Tribunal at the Hague, the first involving Iranian weapons and spare parts, and the second Iranian claims for military purchases from the U.S.?
- Has Iran been allowed to draw down the Escrow Account established by the 1981 Algiers Accord, from a minimum level of \$500 million to near zero?
 - Isn't Iran required by the Algiers Accord to keep the Escrow Account at a level of \$500 million until all claims are resolved: How can the U.S. allow Iran to draw down this account?
 - What is the significance of the U.S. allowing Iran to do this?
 - Do we seek by this step to cultivate the right Iranian attitude on the embargo of Iraq?

A. Real improvements in the relationship cannot occur until Iran has taken action to free the remaining American hostages in Lebanon and end its support for terrorism.

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With regard to developments in The Hague, US and Iranian technical experts have been engaged in continuing discussions over a long period to resolve claims issues within the context of the 1981 Algiers Accords. On September 20 the United States transferred \$200 million in Iranian funds from Iran's Foreign Military Sales trust fund (where the money was deposited under the Shah to buy military items) to the Security Account, an escrow account established to pay Tribunal awards to Americans. This transfer, which constitutes an interim settlement of one aspect of Iran's FMS claims, was made in response to a request Iran had put to the Iran-United States Claims Tribunal for the balance of Iran's Trust Fund. The settlement does not involve the transfer of funds to Iran, but rather their use to pay awards made to Americans.

The remainder of the FMS claims are pending in the Tribunal and are being discussed between the parties.

The balance of the Security Account now stands at about \$272 million. This is due to drawdowns for several large awards made to American claimants from the Account, including the \$600 million settlement with Amoco in June and the payment to the United States of \$105 million for small claimants and one official claim. This situation has nothing to do with any political matters. Iran is required to replenish this account whenever it falls below \$500 million, and has done so many times in the past. We expect Iran to fulfill its obligations under the Algiers Accords, and we have made this clear to Iranian representatives.

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3. Does the U.S. support or oppose a pending World Bank loan to Iran for earthquake rehabilitation?

- Is this the first time we have supported, or not opposed, a World Bank loan for Iran since the 1979 revolution in that country?
- What do you see as the significance of this step?

A. By law, the United States is required to vote against IMF and World Bank programs for any country named as a state sponsor of terrorism pursuant to Section 6(j) of the Export Administration Act. Iran was so designated in 1984.

4. Do you see steps by Iran toward warming relations with the U.S., notably:

- o The progress at the Claims Tribunal;
 - o Iran's release of a American prisoner, Erwin David Rabhan, held since 1979; and
 - o The release earlier this year of a number of western hostages in Beirut, including 2 Americans.
- Do you see this as a halting step-by-step improvement of relations?
 - Is the prestige and maneuvering room for Rafsanjani increased by the recent windfall from Iraq?

A. Relations with the United States remain extremely controversial in Iran. While some Iranian authorities appear to favor better relations at some point in the future, for now Iran seems to be concentrating on improving ties with Western Europe, as the recent resumption of diplomatic relations with Great Britain attests.

Recent developments, including Iraq's peace offer and the large windfall profits that have resulted from the sudden increase in oil prices, have strengthened Rafsanjani's hand against his hardline opponents. This is likely to give him greater room to pursue his domestic and foreign policy agenda.

VI. UNITED STATES ASSISTANCE AND ARMS SALES

1. Do you know of any commitment made by any United States Government official to Egypt saying that Egypt would not have to repay its FMS debt to the United States?

- Did any U.S. official ever indicate to President Mubarak or any other Egyptian leader that the United States would at some point take care of Egypt's FMS liability?

Answer

No explicit commitments were ever given to Egyptian officials suggesting that military debt would not have to be paid. The Egyptians, however, expressed deep reservations since 1979 that they could ever fully service debt that carried interest rates above 10 percent. As early as 1982 congressional report language explicitly identified future debt servicing capacity as a problem for many key allies, including Egypt.

2. Are you proposing as part of this debt forgiveness to Egypt to reduce Egypt's annual \$815 million ESF program?

- Why shouldn't this annual request be reduced if debt is eliminated?

Answer

Reduction in Egypt's economic support funding is not contained in the proposal for cancelling Egypt's FMS debt.

Egypt's ESF funding is largely project assistance for infrastructure building and economic development. Only a small portion of the \$815 million is in cash assistance. Congress has precluded payment of FMS debt with ESF assistance. Egypt's ESF is needed to support Egyptian economic growth and development. Even if the FMS debt burden is removed, Egypt will need our fullest support to meet the challenges of economic adjustment in the face of a growing population and limits on self-sufficiency in food production.

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3. What is your estimate of the total Egyptian FMS debt?

- Is it accurate that total principle and arrears is \$6.7 billion?
- What is the total of interest that would be paid to the United States if Egypt paid the debts annually until the year 2013? (should be around \$7.4 billion)
- So is it accurate that the total Egyptian FMS debt in nominal terms is just under \$15 billion?
- What do you estimate to be the value of this debt in today's dollars?
- What do you estimate to be the costs to the budget over the next five years of this proposal?
- Is it correct that the budget is expecting \$200 million in Egyptian payments in each of the next five years?

Answer

At the end of FY-90 Egypt's total FMS debt, principal and arrears, stood at \$6.7 billion.

If Egypt were to have completed the payment stream on its FMS loans the total interest it would have paid by the time the debt would be retired in the year 2014 would be approximately \$13 billion.

Pursuant to provisions in the 1991 Foreign Operations Appropriations Act, Egypt's FMS debt to the U.S. was revalued on November 23, 1990. The FMS debt was discounted from \$6.7 billion to \$997 million in this process.

It is our intention to move to forgive this remaining amount before the end of this year.

4. If Egypt cannot pay the \$6.7 billion in FMS debt, what makes you think they will be able to pay the remaining \$6 billion in debts to the United States Government?

- Is Egypt paying its other debts to the U.S. government on time?

Answer

Cancelling Egypt's FMS debt will greatly ease Egypt's payments requirements to the U.S., and will remove the constant threat of Brooke amendment cutoff of all ESF and FMS assistance that is now

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the case for Egypt. Payments on FMS loans and arrears would have totalled nearly \$1.5 billion in FY-91. Relief from this obligation will be of significant benefit to Egypt's balance of payments plight, hopefully making it possible for Egypt to remain current on remaining debt payments.

Saudi Arabia, Kuwait, the UAE, and Qatar have announced that they have forgiven all of Egypt's debts. This debt reduction (\$6-10 billion) complements our action and will further help Egypt's payments situation.

Much of Egypt's U.S.-held non-FMS debt, primarily old A.I.D. and PL-480 program loans, is at concessional rates of interest and for a longer term (therefore the debt service is lower). Except for the A.I.D. loans, Egypt's remaining debt is not subject to the application of Brooke amendment sanctions. Egypt is current on PL-480 payments, but is running arrears on A.I.D. loans.

5. Is it your intention to tie debt relief to Egypt in any way to economic reform?

- How can you assure the Congress that if we provide debt relief Egypt will not pocket the cash they save and continue to avoid taking the steps the U.S. the IMF and the World Bank think they need to take to reform the economy and provide a basis for sustained growth?
- In what way can or would debt relief enhance the chances for structural adjustment and for an IMF agreement?

Answer

The Administration is opposed to conditioning military debt relief to economic reform.

FMS debt was not assumed by Egypt with economic conditionality, nor did it offer the possibility of generating economic growth or revenues with which to repay it.

We would hope that relief from the burden of FMS debt payments would allow Egypt to divert its resources to those

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which offer the best possibilities for generating growth and employment and for rationalizing its status vis-a-vis other debts it owes the United States. Economic reforms are most successfully implemented when a country is acting under its own policy choices rather than externally-imposed measures. FMS debt relief could help give Egypt latitude to make these policy choices.

VII. SOLUTIONS:

1. Secretary Baker, in testimony before the Committee two weeks ago indicated that he did not feel the time was ripe for diplomatic initiatives.

- Why do you think the time is not ripe?
- When do you think the time will be ripe?
- What has to happen first to make the time ripe?
- Are you waiting for the sanctions to really bite?

Iraq has given no serious indications that it is prepared to consider withdrawal from Kuwait. Nevertheless, in the wake of the U.N. Security Council's passage of Resolution 678, which authorizes member states to use "all necessary means" to enforce Iraqi compliance with previous resolutions, the President decided to undertake a diplomatic initiative. The President invited Iraqi Foreign Minister Tariq Aziz to Washington during the week of December 10 and offered to send Secretary Baker to Baghdad between December 15 and January 15.

2. There were reports at the end of August of a secret back channel Iraqi approach to the United States on a deal which offered Iraqi withdrawal from Kuwait and the release of all hostages in return for the lifting of all sanctions, Iraqi access to the Gulf and the ceding of the Kuwaiti oil fields near the border between Iraq and Kuwait.

- Was such a back channel diplomatic approach made?
- Was it authoritative in your view?

There have been no secret negotiations between Iraq and the U.S. To allow anything less than full withdrawal would reward Iraq for its aggression against Kuwait and encourage other

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"outlaw" nations to follow Saddam's lead. In the Middle East, it would show that Saddam's way -- the way of violence, confrontation, and aggression -- works. If that happens a vital region laden with arms will become far more dangerous. Coupled with Iraq's continued military predominance, such a threat would be extremely destabilizing to a vital region over the long term.

It would set exactly the wrong kind of precedent for international relations in the post-cold war world. We are determined to avoid such an outcome.

3. The Iraqi Ambassador in Washington has raised the possibility of all American hostages, including men, being released if the United States would guarantee that its forces would not attack Iraq.

- Was such an offer made?
- Was it authoritative?
- Would the United States support or oppose such an exchange?

On August 19 in an open letter, Iraqi President Saddam Hussein did offer to allow foreigners to travel immediately as they choose, if the UN Security Council, with U.S. approval, pledged to withdraw U.S. and foreign forces from Saudi Arabia. Subsequently Iraq's Ambassador in Washington proposed that American hostages could be released if the United States would guarantee that its forces not attack Iraq. The chairman of Iraq's National Assembly Sa'di Mahdi Salih told visiting Japanese officials October 4 that "we (Iraq) cannot release (hostages) until we have a guarantee that the multinational force will not attack Iraq."

The U.S. believes and the U.N. Security Council has mandated that all foreign nationals, including Americans, should be released immediately. We will not bargain with Iraq

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over that fundamental demand. To bargain for hostages in any way would only increase their political value to Iraq and encourage Iraq to retain some indefinitely. The Iraqi decision of December 7 to permit all foreign nationals to depart without conditions demonstrates the soundness of that position.

4. Before the August 2nd Iraqi invasion of Kuwait, it was United States policy not to get involved in oil and border disputes among Persian Gulf states.

- What is United States policy today?
- Do we take no position on the dispute between Kuwait and Iraq over the oil field which straddles the border or on territorial disputes involving islands and access to the Persian Gulf?
- Is it our position that these disputes can only be solved in negotiations among sovereign states and we take no position on the specifics?

The U.S. Government takes no position on the substantive issues of oil or border disputes between Iraq and Kuwait. We believe these disputes should be resolved in negotiations between the sovereign states involved. The President has determined that we will not allow Iraqi aggression to be rewarded. We will insist that the problem be resolved without resort to force or threat of force. We do support Kuwait's sovereignty and territorial integrity.

5. When solutions to the current crisis are discussed we often hear of promoting elections in Kuwait.

- Does the United States support or oppose elections in Kuwait as part of a solution to the crisis?

Kuwait was already engaged in a democratic process at the time of Iraq's invasion. Kuwait held elections in June 1990 for a National Council, which was widely viewed as a transitional step towards return of the Parliament. Kuwait, unlike Iraq, has a well-developed parliamentary and consultative tradition, which the United States has always supported.

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- Do you think an elections process can facilitate a solution?

Saddam Hussein's aggression towards Kuwait had nothing to do with his newly-found concern for the democratic process. Iraq's invasion in fact interrupted the GOK's moves to return to parliamentary government, and was aimed at seizing Kuwait's rich resources, not expanding the Kuwaiti electorate.

- Do you favor elections only after the restoration of Kuwaiti independence and sovereignty and the return of the Sabah family?

There is no room for negotiation on the fundamental requirement that Iraqi forces withdraw completely and unconditionally from Kuwait and the legitimate government restored. Iraq's invasion was unprovoked brutality. It is premature to discuss elections before this condition, which has been mandated by the UN Security Council, has been met by Saddam Hussein.

- What is the position of the Kuwaiti leaders in exile on elections?

The Kuwait leadership was itself fully engaged, from the Amir down, in the democratic process to return to parliamentary government which was brutally cut short by Iraq's invasion.

- What is the position of Kuwaiti resistance groups on elections?

The resistance includes prominent members of Kuwait's pre-invasion opposition groups. They are united with their government in their determination to reverse Iraq's aggression and regain their country. Understandably, they reject Iraqi preconditions, such as a referendum, for the restoration of their country. The shape of future political in Kuwait will of course be an issue for Kuwaitis themselves to decide, not Iraq.

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- What is the Saudi and Egyptian positions on elections?

The Saudi and Egyptian governments are part of the international consensus that no preconditions from Iraq will be accepted on the issue of Iraq's withdrawal from Kuwait and the restoration of the legitimate Kuwaiti government.

- Is there any known Iraqi position on elections?

Saddam Hussein has introduced the issue of elections into the public debate, but has repeatedly contradicted himself in saying that he will under any circumstances never relinquish his hold over Kuwait. The notion of holding elections with Iraqi forces in control in Kuwait is preposterous, and discussion per se of elections is premature as long as Iraq continues its occupation.

6. In general, is it your position that you can accept any solution to this crisis which is acceptable to Saudi Arabia and to Egypt?

- In the past, Arab world and Persian Gulf disputes have often had a financial payoff as part of an Arab compromise: Is this a solution you could support if it is acceptable to the Saudis and to the Egyptians?

A: The President has stated our goals clearly, and they are in line with the resolutions on Iraq and Kuwait passed by the United Nations Security Council. Saudi Arabia and Egypt are among the strongest supporters of the steps mandated by the Security Council and their actions since the beginning of the crisis have given clear proof of this support. We are all working to the same end.

The U.N. resolutions would ensure that Iraq receives no reward for its aggression. They are the basis of our position regarding a settlement.

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VIII. OTHER QUESTIONS

A. Peace Process

1. Following the visit to Washington of Israeli Foreign Minister Levy earlier this month, the United States talked about the need for a credible Middle East peace process.

- What do you mean by credible?
- Do you consider the Shamir elections credible?
- Do you consider the Baker Plan to implement the Shamir Plan still credible?

A. The United States remains committed to achieving a comprehensive peace settlement through negotiations based on UNSC Resolutions 242 and 338. The negotiations must involve the exchange of territory for peace, the security of all states in the region and the legitimate political rights of the Palestinian people. Throughout 1989 and part of 1990, the United States sought to realize the Israeli elections proposal. Last March, the Israeli government fell over the issue of whether it could enter a dialogue with Palestinians on the basis of what had been achieved during discussions among the parties. Secretary of State Baker had exerted significant efforts to implement the Israeli elections initiative. To date, we have received no reply from the Israeli government on its attitude towards the questions left unresolved last March.

2. What do you consider the next step in trying to further the search for peace?

- In the current environment, how do you expect to get Israeli-Palestinian talks going?
 - Will this be deferred indefinitely until a resolution of the Iraqi invasion of Kuwait is reached?
 - Is the United States talking to any Palestinian leaders at this time?

A. All efforts are now focussed on achieving a resolution of the Gulf crisis. Although progress in resolving the Arab-Israeli conflict remains a high priority for the U.S.,

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efforts for bringing about Arab-Israeli negotiations must not be linked to the Gulf crisis.

The United States continues to discuss with parties, including some Palestinians, ideas for reinvigorating the peace process once the Gulf crisis is resolved. We continue to believe that the search for a comprehensive settlement must be grounded in UNSC Resolutions 242 and 338 and must involve the exchange of territory for peace, security for all states including Israel, and the legitimate political rights of the Palestinian people.

3. Is it your view today that the Shamir election plan for the West Bank and Gaza is the best existing vehicle for furthering the search for peace?

- Do you still think the Baker Plan remains the best method for trying to implement the Shamir Plan?
- Over the last several months have you been able to narrow U.S.-Israeli differences on the Baker Plan?

A. The United States remains committed to achieving a comprehensive peace settlement through negotiations based on UNSC Resolutions 242 and 338. The negotiations must involve the exchange of territory for peace, the security of all states in the region and the legitimate political rights of the Palestinian people. Throughout 1989 and part of 1990, the United States sought to realize the Israeli elections proposal. Last March, the Israeli government fell over the issue of whether it could enter a dialogue with Palestinians on the basis of what had been achieved during discussions among the parties. Secretary of State Baker had exerted significant efforts to implement the Israeli elections initiative. To date, we have received no reply from the Israeli government on its attitude towards the questions left unresolved last March.

4. Is it your view that the PLO in general and Arafat in particular have damaged their credibility on peace issues by the way Arafat embraced Saddam Hussein's invasion of Kuwait?

- Do you take it from the PLO position on Iraq's invasion of Kuwait that the PLO supports the acquisition of land by force in some instances?

A: We believe the PLO in general and Arafat in particular have severely damaged their credibility by their tilt toward Iraq in this conflict. Indeed, their public denials of support for the invasion of Kuwait and the acquisition of land by force are cast into doubt by their behavior.

5. What do you see as the linkage between the search for peace in the Arab-Israeli conflict and the resolution of the Gulf crisis?

- Even though you may oppose a formal linkage, are the two linked informally and in the eyes of many people in the region? In Europe and the Soviet Union?
- Doesn't progress or the lack of it on the Gulf crisis put pressure on for showing some progress in the search for an Arab-Israeli settlement?
- What precisely do you seek to achieve in the coming months in reinvigorating the peace process?

A. The Gulf, the Arab-Israeli conflict, Lebanon, terrorism, and problems of economic underdevelopment are all linked in the sense that an increase in regional tensions tends to exacerbate and complicate all of them. This does not mean, however, that their respective solutions can be linked. Indeed, they cannot. Both the French and the Soviets have made clear that while their respective statements have called attention to several areas of great concern, they recognize that the solutions cannot be linked. Others, like Saddam Hussein, have attempted to link the issues in order to sow confusion and detract from the Iraqi invasion of Kuwait.

The increased tensions arising from the Gulf crisis have reinforced the need to address a range of Middle East issues, including the Arab-Israeli conflict, that threaten the stability of the area. At the same time, the crisis is causing shifts in political alliances and alignments within the region and has helped alter regional perspectives on some of these problems.

While it is too soon to say just where these trends might lead eventually, the U.S. intends to push forward on practical steps for building mutual confidence in addressing security concerns and for facilitating political dialogue between Israelis and Palestinians.

B. Israel:

1. Congress provided legislative authority for \$400 million in housing loan guarantees for Israel some five months ago and no implementing agreement has been concluded yet.

- Why not?
- What is the problem?
- What assurances have the Israelis given the United States and what more does the U.S. seek?
- What is the next step?
- Are you waiting for an Israeli response or are the Israelis waiting for our next proposal?
- When can we expect an agreement?
- Is it correct that one of the problems surrounds expanding settlements within the expanded boundaries of the municipality of Jerusalem?
- Is it the policy of the United States to seek the stopping of settlement expansion within the expanded municipality of Jerusalem?

A. On October 2, Secretary Baker and Foreign Minister Levy reached agreement on assurances related to housing loan guarantees. As the Secretary has said, these understandings confirm that it is Israel's policy that immigrants will not be

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directed to settle beyond the Green Line, that there are no current or planned special incentives to encourage people to settle outside the Green Line, and that the U.S. will receive additional information on housing and settlements. We also received the usual and traditional assurances that U.S. housing loan guarantees will be restricted to uses in the areas subject to the Government of Israel's administration prior to June 5, 1967.

Based on these understandings we are proceeding expeditiously with the implementation of the housing loan guarantees. A technical team from A.I.D. arrived in Israel in late November to gather information on Israel's housing sector and on Israeli plans for immigrant absorption. The technical team's report will provide the basis for designing the loan guarantee program and negotiating the implementation agreements.

The status of Jerusalem was not directly addressed in discussions on the housing loan guarantees. Our long-standing policy is that Jerusalem must remain undivided, with its ultimate status to be decided through negotiation. In the meantime, all sides should avoid unilateral acts or unilateral assertions of rights that might make it more difficult to make progress in the peace process.

2. Almost 100,000 Soviet Jews have entered Israel this year.

- How is Israel dealing with this immigration?
- Does Israel have a plan for dealing with this enormous influx?
- Is Israel able to generate the employment the professionals coming to Israel want and expect?
- How effectively is Israel producing housing for these immigrants?
- Are some of these immigrants still settling in the West Bank and Gaza?

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- Are the State Department's earlier statistics still accurate that some 10 percent of the Soviet immigrants are settling in settlements in East Jerusalem and the expanded municipality of Jerusalem?

-- Are you raising this issue with the Israelis?

A. The great majority of Soviet Jewish immigrants go through "direct absorption," in which they are given financial assistance to help them get established, and are provided free language instruction and medical care for six months. Municipalities and voluntary organizations help them find housing and jobs. About fifteen percent of immigrants are housed by the Jewish Agency in special immigrant neighborhoods where they are provided with language training and counseling. This system, however, is being phased out.

Housing and employment are the two biggest problems facing the government. Last July, the Government of Israel adopted a supplemental budget for an additional 2.5 billion shekels for immigrant absorption. Given the increased rate of immigration, the budget may underestimate needs.

The economy is in its third straight year of low growth, with the unemployment rate currently at 10 percent. The government believes substantial new investment will be required to generate the needed jobs. Much of this will have to come from abroad. Israel needs to liberalize substantially its economy -- in particular its labor arrangements -- to provide the appropriate stimulus for the expansion of private sector investment and employment. This is a part of the economic reform plan recently approved by the Cabinet but now awaiting Knesset action.

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Many Soviet immigrants are highly trained, and will have difficulty quickly matching their skills to available jobs. Initially, some may have to accept jobs below their level of training until the labor market adjusts and the immigrants develop additional skills.

Housing construction is lagging far behind the demand for new dwellings; this should be ameliorated, at least in part, by expected imports of prefabricated housing.

Less than one percent of recent Soviet immigrants are settling in the West Bank and Gaza. Current estimates of the fraction of Soviet immigrants settling in East Jerusalem and the expanded municipality of Jerusalem range from five to nine percent.

3. The State Department has been trying for nearly two years to acquire land in or near Tel Aviv for a new Embassy.

- Why have the Israelis said no to some 15 site proposals?
- Are we in a situation where Israel simply will not approve a new Embassy site in Tel Aviv for the United States?
- Have we raised this issue with the Israelis at a high level?
- Why are we not getting cooperation on this issue?

A: Both we and the Israelis have identified prospective sites in Tel Aviv, but to date, we have not found a mutually acceptable site that is available. We are looking for a large site--approximately 14 acres--to accommodate our operation and to comply with security requirements. Tel Aviv is a heavily populated city with a large concentration of military and commercial facilities. As a result, finding an acceptable site that meets our requirements, is in an appropriate area, and is not too remote for persons who need to use Embassy services is

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a difficult task. We are working with senior officials of the Government of Israel in this effort. We are continuing to seek a new site.

4. The Subcommittee has received letters from the Organization for the Protection of Property Rights in Israel. This group complains that rent control in Israel damages the economic and social security of Israel and causes a housing shortage for the immigrants and young couples.

- Is this accurate?
- Is rent control causing the deterioration of Israel's housing stock as this group claims?
- Are rent control laws discouraging private citizens from expanding housing?
- Have you raised this issue with the Israelis?
- Has the U.S. considered asking Israel for changes in rent laws as part of a housing loan program?

A. Rent control generally promotes an inefficient use of housing resources and discourages redevelopment of low-density rent-controlled areas in Israel. Owners of rent-controlled properties also have less of a profit motive to maintain existing housing. However, the number of housing units in Israel subject to rent control is relatively small as rent control legislation applies only to buildings erected prior to 1954. The government of Israel estimates that only approximately 2.5% of the total housing stock is covered by rent control. Rent-controlled areas in Israel are primarily in downtown Tel Aviv and Jerusalem. Development of such areas might increase the available number of housing units, but it could also result in construction for commercial or tourist purposes rather than solely for housing.

We have not specifically raised the issue of rent control with the Israelis although we have discussed housing sector policies generally. In the course of the housing loan guarantee program for Israel, we expect to continue our

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discussions on a range of housing policy issues and will endeavor to provide advice on improving efficiency in various aspects of the housing sector.

C. West Bank and Gaza:

1. How would you describe the current situation in the West Bank?
 - Does Saddam Hussein remain very popular among many Palestinians in the occupied territories?
 - Have the numbers of violent incidents dropped and has the use of force by the Israelis declined in the last few months?
 - We continue to have reports from the Israeli League for Human and Civil Rights stating that threats of torture and humiliation of Palestinians are used by Israeli soldiers and settlers. Are these reports accurate?

A: The extreme popularity enjoyed by Saddam Hussein in the occupied territories in August appears to have diminished somewhat as the severe economic impact of the Gulf crisis has begun to bite deeply. Nevertheless, support for Kuwait and Saddam's attempts to link the Gulf crisis with the Palestinian issue remain popular.

Although a conscious attempt by Israeli authorities to reduce tensions and avoid confrontations appeared to have successfully resulted in reduced violence and casualties during the summer, a new round of violence broke out in September, when a Palestinian mob burned an Israeli military reservist in his car in Gaza, and October with the Temple Mount incident. Since then, tensions have been acute, and violence has increased. A disturbing element has been a series of knifings of Israelis in Israel by Palestinians from the occupied territories. These appear to be individually motivated incidents, but the perpetrators have been adulated in some quarters. Israeli

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security authorities have reacted by imposing new restrictions on access to Israel and Jerusalem, and by resuming administrative detention, house demolitions, and sealings.

We have seen the reports from the Israeli League for Human and Civil Rights and others regarding allegations of torture and humiliation of Palestinians by Israeli soldiers, police, and settlers. We are not in a position either to confirm or discount these allegations. These practices are not condoned by the Israeli government, however, and we have noted corrective action, including prosecution of responsible individuals, in cases we and others have brought to the attention of the proper authorities.

2. What is the status of the universities and when do you think all universities will be opened?

- Was this issue of universities raised by the State Department during Foreign Minister Levy's trip or will it be raised with Minister Arens this week?
- Are you confident that the Israelis has a timetable to have all universities open soon?
- What assurances have the Israelis given you, and in what time frame do they plan to act?
- What problems remain?

A: Bethlehem University and several faculties of al-Quds (Jerusalem) university have been open since September. We were told in mid-November that the Israeli government hoped to be able to reopen the other Palestinian universities -- Bir Zeit, an-Nahar, Hebron, and the Islamic University in Gaza -- by the end of the year. We have been cautioned, however, that this decision in principle will be implemented with a close eye on the security situation at

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each campus. We have also noted that the closure notices for the four universities that remain closed were extended for an additional three months at the end of November.

We accepted in good faith Israel's earlier assurances of its intention to reopen the universities. Israeli authorities are well aware of our opposition to school closures. This is an issue which we discuss regularly with Israeli officials through diplomatic channels. Although the specific issue of university closures was not raised with either Foreign Minister Levy or Defense Minister Arens in September, the general issue of the importance of restoring as much normality as possible in the occupied territories, which includes reopening the universities, was raised with Mr. Levy.

3. We have continuing reports of harassment of Arab-Americans and of some American citizens being denied entry into the West Bank and Gaza.

- Have you raised this issue with the Israelis recently?
- Why are we continuing to have these problems with American citizens visiting Israel?

A) We have raised this issue with Israeli authorities repeatedly, most recently late last July. We raise specific cases as we become aware of them. There has been some improvement in the treatment of Arab-Americans, but the basic problems remain. The Israelis insist that the terrorist threat facing their country makes necessary strict security procedures for persons entering Israel. A State Department travel advisory for the West Bank, Gaza Strip and East Jerusalem released October 7 draws attention to Israeli security practises that may affect Americans entering Israel and the territories.

4. B'tselem, the Israeli human rights group, said in a recent report that Palestinian minors from East Jerusalem who are being held in two police jails in Jerusalem are routinely subjected to beatings, violence and humiliation and conditions of imprisonment do not meet minimal standards of humane imprisonment.

- Are you aware of this Israeli report?
- Is this report something you will take up with Israeli authorities?
- Would you report back to the subcommittee on your assessment of this information compiled by B'tselem?

A: We are aware of this report. Normally, we take up specific cases with Israeli authorities that are brought to our attention rather than general reports of this nature. Israeli authorities are well aware, however, of our strong distaste for the practices described in the B'tselem report. Assistant Secretary of State Schifter had extensive discussions with Israeli officials on this subject during his August visit to Israel. We note a Reuter's report of September 9, 1990, that states that an Israeli investigation of these charges has resulted in a recommendation of dismissal and trial of nine Israeli officers involved in these alleged practices. Israeli authorities have responded to the published report, stating that "the lockup is visited regularly by the Red Cross, members of the Knesset, representatives of the State Attorney's office, and social workers. Aside from the overcrowding, visitors commend the condition of incarceration..."

We will carefully consider the B'tselem report in the preparation of 1990 human rights report for the occupied territories.

5. B'tselem issued another report entitled The Use of Firearms. In its conclusion, the report says:

The wording of the Israeli Defense Forces' Rules of Engagement in the territories does not meet the requirement of clarity, unambiguity and simplicity. The rules contain qualifications and contradictions, and the formulation allows soldiers broad discretion without providing clarifications and examples to enable proper exercise of that discretion.

- Do you share the conclusion of this Israeli report regarding continuing problems with the Rules of Engagement for IDF soldiers operating in the occupied territories?
- Is it accurate that Defense Minister Arens has now issued an instruction not to open fire?
- Has Mr. Arens modified the Rules of Engagement to say that or not?

A: We understand that the Israeli leadership has been concerned about some instances of lack of discipline and failure to carefully follow the rules of engagement. The present government has issued new instructions designed to ensure stricter adherence to the rules of engagement and to improve discipline. It has also altered deployment patterns in ways designed to avoid unnecessary incidents and circumstances that might require the use of lethal force under the rules of engagement. One example is increasing the size of patrols so that they are capable of facing a mob without resorting to firearms. Soldiers and police are still permitted, however, to use firearms in instances permitted by the rules of engagement.

The use of fully-automatic weapons fire by Israeli police in Jerusalem on October 8 would appear to violate the rules of engagement. It is not clear, however, whether the IDF and the police have a coordination system for applying the rules of engagement. We have consistently impressed upon the Israelis our strong opposition to the use of lethal force, and urged them to develop alternatives.

D. Syria:

1. Is Syria still on the list of countries supporting international terrorism?
 - Is a decision to take Syria off that list under consideration?
 - What is the status of Ahmad Jibril?
 - Is he still in Damascus?
 - Is he under house arrest?
 - What did the Syrians say about this matter when you were in Damascus?
 - What is your reaction to the allegation that Syria provided support for the Pan Am flight 103 debacle?

A: Syria remains on the list of countries that support international terrorism. If and when Syria discontinues its support for international terrorism and provides assurances that it will not provide such support in the future, the U.S. Government will be able to consider taking Syria off the terrorism list.

We believe that Ahmad Jabril is based in Damascus most of the time, though he makes occasional trips outside Syria. We have no indication he is under house arrest in Damascus.

Senior Syrian officials have repeated earlier assurances that if they are presented with hard evidence linking the PFLP-GC or any other Palestinian group in Syria with any terrorist act, the Syrian Government will bring those responsible to trial and punish them, if found guilty.

The investigation into the Pan Am 103 bombing continues. (The Justice Department is the lead U.S. Government agency involved in this investigation.) Until the investigation is completed, we cannot comment on allegations of guilt or complicity in this tragedy.

E. Lebanon:

1. The Committee was informed in August that Lebanon has made some debt payments to the United States and was removed from Brooke and Section 620(q) sanctions, thereby enabling IMET training in Lebanon to resume?

- Has IMET in fact resumed?
- What training is being provided and where?

The Government of Lebanon paid \$6.7 million toward its A.I.D. debt arrears in July, and overcame Brooke-Alexander and 620(q) sanctions. We have subsequently resumed our International Military Education and Training (IMET) program with Lebanon.

The FY90 program will train nine Lebanese military officers in the United States. The trainees will take courses in infantry, field artillery, armor, and ordnance at Fort Benning, Georgia, Fort Sill, Oklahoma, Fort Knox, Kentucky, and the Aberdeen Proving Grounds, Maryland.

APPENDIX 2

101ST CONGRESS
2D SESSION

H. RES. 465

Congratulating President Vassiliou, the government, and the people of Cyprus on the thirtieth anniversary of independence.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 17, 1990

Mr. BROOMFIELD (for himself and Mr. YATRON) submitted the following resolution; which was referred to the Committee on Foreign Affairs

RESOLUTION

Congratulating President Vassiliou, the government, and the people of Cyprus on the thirtieth anniversary of independence.

Whereas on October 1, 1990, the Republic of Cyprus will mark the thirtieth anniversary of its independence; and

Whereas the United States strongly supports the resumption of meaningful United Nations-sponsored talks aimed at reaching a just and lasting solution to the Cyprus problem in accordance with relevant United Nations resolutions and decisions: Now, therefore, be it

1 *Resolved*, That—

- 2 (1) the House of Representatives congratulates
3 President Vassiliou, the government, and the people of
4 Cyprus on the thirtieth anniversary of independence;
5 and

2

1 (2) it is the sense of the House of Representatives,
2 that the United States should continue its strong sup-
3 port of the United Nations Secretary General in his ef-
4 forts to resolve the Cyprus problem.

○

APPENDIX 3

TWO ARTICLES FROM THE WASHINGTON POST, DATED MONDAY, SEPTEMBER 17, 1990 (SUBMITTED BY REP. TOM LANTOS (D-CALIFORNIA))

Jean Kirkpatrick

The State Department's Weakness for Arab Strongmen . . .

It is no criticism of the Bush administration to state that it has been driven by circumstances, persuaded by allies and tempted by short-range needs to accept—even to solicit—collaborators whose record and whose morality are no better than the enemy against whom we now struggle. Franklin Roosevelt welcomed Josef Stalin into the alliance against Nazi Germany. Harry Truman included unstable regimes in the alliances he constructed to contain Stalin. Jimmy Carter accepted Ousey Torpica as his partner for Panama and Pakistan as a helpmate to turn back the Soviet invasion of Afghanistan. Ronald Reagan first "liber" to Iraq and eventually allied weapons to Iran. Now, Secretary of State James Baker and the Bush administration seek to cement Syria into the coalition marshalled against Iraq. World politics has forever driven governments to make alliances based on convenience and necessity as well as shared moral principles. It is generally believed that a government that chiefly endures itself will can neither long play a significant role in world affairs nor serve its own moral goals.

Opposing aggression, constructing new collective security arrangements, helping maintain independence and order, protecting world access to Middle East oil all require active collaboration with nondemocratic governments, many of whose principles and practices do not meet Western standards. I believe it is possible for the United States

to pursue a politics of the greater good and the lesser evil and still remain true to fundamental American principles, providing that we face squarely what we are doing and act prudently to ensure our secondary ally has not been changed by its nature.

Western governments still believe that tilting to Iraq of the West's Arabist financial aid forces threatened to defeat that government was a reasonable policy, that helping Saddam Hussein develop weapons of mass destruction was quite another matter. So was turning a blind eye to Iraq's use of poison gas against Iran and Kurds. Baghdad did not require that the United States and the West condone Iraq for the destruction of Saddam Hussein's nuclear reactor. To the contrary, realism required that the United States and the West face the fact that Iraq was acting in self-defense and in the process benefiting the region. Baghdad did not require or even permit the United States or others to protest that Saddam Hussein had become "more evil and moderate by some sort of standards."

This self-deception—perpetrated by State Department officials—was the major cause of policy in both Washington and Baghdad. ABC's special on the Gulf crisis (aired Sept. 11) described in painful detail the accumulating evidence of Iraq's preparations for invasion, the repeated warnings by the Defense Department, the CIA and the government of Israel, and the dismissal of those warnings by career

officials in the State Department. Decisions they did not want Saddam Hussein against aggression but repeatedly affirmed that the United States had no influence or commitment to force on Saddam Hussein had no opportunity to realistically assess the probable consequences of aiding Kuwait.

These errors are now behind us. But the United States is still responsible for their lives and the chaos now to disrupt American policy toward Syria, whose leaders has killed so many people as Saddam Hussein, has so brutally but more cleverly subverted and conspired a neighboring Arab nation and who, moreover, has direct ties to terrorist attacks on Americans.

It is the famous "Arabist" mind set that is common in the State Department's Bureau of Near Eastern Affairs (NEA) and in the foreign offices of Europe. The NEA is populated by intelligent, industrious specialists on the language, culture, history and politics of the Arab world. Many of them have learned to view the world through the eyes of those whose they have studied and all too often have come to feel a genuine allegiance toward Arab struggles, a special irritation with Israel and a sense that U.S. concerns with democracy and human rights are not so relevant to their area. This "Arabist," often the other side of the coin of arrogance, distorts U.S. policy, especially with regard to Iraq, Syria, the PLO and Israel.

Lebanon is the clearest victim of these policies. That once proud, plural democracy has been subverted, occupied and nearly destroyed by Syria, the PLO and Iranian defenders themselves against the PLO. But the U.S. government, which has joined in U.N. resolutions calling for withdrawal of Israel from Lebanon, has never pushed the United Nations to call for withdrawal of PLO fighters and Syria's occupying armies—even when there was clear evidence of Syria's role in the bombing of American Marines on a peace-keeping mission.

The same tendency that led the Department of State to conclude that the PLO had renounced terrorism and ignored evidence of Saddam Hussein's lingering aggression may lead it now to become more entangled with Hades Assad than is either necessary or desirable.

It may already have led it to underestimate the danger that violent PLO neighbors constitute for Israel and to recommend talk, off-stage halting of the Iraq/PLO/Lebanon ties to the Gulf crisis.

International politics may sometimes justify or even require an alliance with unstable leaders or regimes. It never justifies making responsible allies of a democratic ally such as Israel or arguing that the United States' permanent interests lie with democracy and the democracies. (From Los Angeles Times Dispatch)

Jim Hoagland

. . . And the Tale of a Transcript

The failure of the Bush administration to understand Saddam Hussein and to prevent him from invading Kuwait is documented in disturbing detail in recent Iraq transcripts of Ambassador's last meeting with the American ambassador in Baghdad. One week before the invasion, U.S. policy makers returned to see evidence of Saddam's intentions even when he forced it on them.

The administration has now embarked on a determined effort to explain away its enormous political and intelligence failures on Iraq by focusing attention on its unstable and corrupt actions since Aug. 2. But a reading of the complete Iraq transcripts, which are not challenged by the State Department, establishes that the administration's greater and kinder handling of Saddam must have encouraged the Iraq dictator to conclude he could get away with invading and then annexing Kuwait without facing American retaliation.

In the same week that Ambassador April Glaspie met with Ambassador April Glaspie met with Ambassador April Glaspie with respectful and sympathetic responses, Secretary of State James Baker's top public affairs aide, Margaret Tutwiler, and his chief assistant for the Middle East, John Kelly, both publicly said that the United States did not obligate to come to Kuwait's aid if the emirate were attacked. They also failed to voice clear support for Kuwait's territorial integrity in the face of Saddam's threats.

These statements have turned out to be the

most disastrous statements of U.S. responsibility toward a threatened, friendly nation since Dow Acheson's public declaration in 1950 that South Korea lay beyond the U.S. defense perimeter in Asia—clearly before the Communist invasion.

Glaspie's defenders claim that she is being made a scapegoat for a policy failure that originated with Baker and President Bush. They have a point, but the transcripts establish that she was offensive to Saddam's presence about the policy line of containing Saddam and is dismissing the repeated predictions from some members of Congress and from this corner of the disaster such cooling would bring.

A key transcript from Saddam to that meeting that he would accept a humiliating peace with Iraq in order to go to war with Kuwait also appears to have been leaked by Washington. The transcript shows Saddam suggesting that he sees an understanding with his former enemies in Tehran as his last card to a broader conflict with Kuwait. He says that Iraq will give up navigation control of the Strait of Arab entry to gain Iraq's support when war comes. "If we fight, we shall win," he explains.

Explicitly warning that the United States must choose between friendship with Iraq and supporting what he offers in Kuwait's "response war" against his region, Saddam is recorded in the transcripts as issuing a threat of "total war" against America. "If you are present, we will destroy Baghdad and force . . .

We cannot come all the way to you in the United States but individual Arabs may reach you."

Glaspie quickly turns the other cheek when it is her turn to reply. She praises Saddam's "extraordinary efforts to rebuild your country. . . I know you need peace. We understand that. . . But we have no opinion on the Arab-Arab conflicts. But your border disagreement with Kuwait. . . James Baker has directed our official spokesman to emphasize this instruction," she says, according to the Iraq transcripts.

Saddam promises to try to resolve his differences with Kuwait peacefully. But he adds, "If we are not able to find a solution, then it will be understood that Iraq will not accept death" because of Kuwait's alleged economic warfare. He underlines the gravity of his remark: "I hope the president will read this himself and will not leave it in the hands of a gang in the State Department. I include the secretary of state and Kelly because I know him and exchanged views with him."

Glaspie, a foreign service professional, made it clear to Saddam that she was acting under instructions from Washington. But even so, she says in Washington's Arabist establishment believe she erred in not seeking to change or clarify those instructions as Saddam's intentions unfolded. "She could have sought the instructions," says one former U.S. ambassador to the Arabi-

an peninsula. "It is inconceivable that we were not saying to Saddam and to the world in those circumstances that we supported the sovereignty and territorial integrity of Kuwait as a member of the United Nations."

Glaspie ends the meeting by thanking Saddam for clearing things up so that she can leave on July 20 on a scheduled trip to Washington. Despite the astounding intelligence showing the missing of Iraq troops, the invasion caught her, the White House and the Pentagon by complete surprise. Glaspie has remained in Washington since the invasion.

The Iraqis, willing to burn those who helped them in the past, have also released transcripts of an April meeting in Baghdad in which GOP Sen. Robert Dole of Kansas and Alex Simpson of Wyoming are recorded as having made apologetic overtures to Saddam, ostensibly on Bush's behalf.

The Iraqis clearly hope the disclosure of such transcripts will weaken public support for the military campaign President Bush has undertaken and make Saddam look better. That undermines the American public, which will support Bush in opposing this tyrant now that the president has indicated his evil intentions. But when it is over, the public should remember where the political and diplomatic responsibility for this policy failure lies. "It lies with Bush, his secretary of state and their diplomats."

APPENDIX 4
RESPONSIBILITY SHARING
(SUBMITTED BY THE DEPARTMENT OF STATE)

Japan The Japanese have announced a \$4 billion contribution; \$2 billion each in defense support and aid to third countries.

In support of the multinational force, Japan will provide sea and airlift for food, water, and medical supplies; provide equipment for heat protection and water supply; provide a medical team to frontline countries; bear part of the expenses for the multinational force.

FRG The FRG announced during the Secretary's visit a contribution of \$2.1 billion, split evenly between military assistance to the U.S. and aid to frontline states.

Constitution prohibits contributing forces directly to Gulf. Sent minesweepers, minehunters, support ships to Eastern Mediterranean to replace units sent to Gulf by other Allies.

In addition, providing U.S. with 60 chemical detection vehicles and has offered air and sealift. Facilitated movements of German-based U.S. forces to the Gulf and delivery of chemical weapons protective equipment to Turkey, Saudi Arabia, others.

Gulf States All of the states in the Gulf Cooperation Council have contributed troops to the Peninsula Shield Force in Saudi Arabia and are providing access and services in support of U.S. forces.

Host nation support for our deployed forces includes the free use of ports, logistics facilities, beddown bases, and fuel.

The three Gulf states of Saudi Arabia, Kuwait and the UAE have agreed to contributions totalling more than \$12 billion.

Korea The Korean Government has fully supported UN sanctions even though it is not a member of the UN and a large number of Koreans are still in Iraq and Kuwait.

Korea is receptive to the idea of helping the multinational effort and we intend to continue consulting with the Korean Government about what further steps it might take. As you know, Secretary Brady visited Seoul several days ago, and we are hopeful that the Koreans will be responsive.

- Belgium 2 minesweepers, 1 command/logistics ship. Blanket landing rights for flights to Saudi Arabia, mainly in Brussels and Oostend.
- Canada CF-18 aircraft, 2 destroyers, 1 frigate, 1 supply ship.
- Denmark 1 corvette. Two ships to lift U.S. troops at no cost. Offered roll-on/roll-off sealift for Egypt to help move Egyptian forces; Egypt has not yet responded.
- France Light armored brigade of about 4000 troops, plus associated aircraft. 9 ship flotilla including the aircraft carrier Clemenceau. Reconnaissance and air defense units to the UAE. Attack helicopters.
- Greece 1 frigate. Overflights. Allowing temporary stationing of additional aircraft. Reversed long-standing policy and agreed to use of the term "solidarity" (i.e. with Turkey) in the text of press guidance on NATO exercise Display Determination.
- Italy 8 Tornado aircraft, 3 frigates, 1 supply vessel. Clearance to base air refueling tankers out of Sigonella. In addition, \$160 million in aid to front line states.
- Netherlands 2 frigates to Gulf, 1 supply vessel to Mediterranean in support. Aid for refugees.
- Norway 1 coast guard ship and 1 supply ship to work with corvette sent by Danes. Sending naval forces to NATO's Atlantic fleet to fill in for Allied transfers to the Gulf. Offered CW decontamination equipment to Gulf forces in case of imminent need.
- Portugal 1 frigate to eastern Med to relieve other NATO ships. Overflight permission. 10 - 20 tankers based at Lajes to refuel aircraft enroute to the Gulf. Offered use of two naval transports for charter.
- Spain 1 frigate, 2 corvettes. 70 percent of massive U.S. airlift transits Spain; U.S. aircraft take off or land every 15 minutes around-the-clock.
- Turkey Allowed forward positioning of U.S. F-111's. Increased alert posture of its troops along border with Iraq. Shared border and decision to shut pipeline puts Turkey at increased risk.
- UK An armored brigade consisting of 6000 troops and 120 tanks. Tornado, Jaguar and Phantom aircraft squadrons, plus patrol aircraft, refueling tankers and surface-to-air missile batteries. Also sent a destroyer, frigates, minesweepers, and auxiliary ships.

- Egypt In addition to three units (ranger, paratroop, and air defense) consisting of some 5000 troops already deployed to Saudi Arabia, Egypt is in the process of deploying up to two heavy divisions to Saudi Arabia.
- Syria Syria has already deployed some 3000 troops to Saudi Arabia and the UAE. It has further committed to sending to Saudi Arabia a division size force.
- Morocco Morocco has deployed a 1200-man motorized infantry battalion to Saudi Arabia.
- Australia Australia has sent naval forces to contribute to the multinational force in the Gulf.
- Pakistan The Government of Pakistan has sent 2000 troops to Saudi Arabia and are discussing with the Saudis sending an additional armored brigade.
- Bangladesh The Government of Bangladesh has sent 5000 troops to the Gulf.
- Others We understand that Senegal, Tanzania and Mali recently have offered to send troops to Saudi Arabia.

APPENDIX 5

**STATEMENT AND MATERIALS SUBMITTED BY
DR. SARGON DADESHO, CHAIRMAN
THE ASSYRIAN NATIONAL CONGRESS**

Thank you Mr. Chairman for the opportunity given to us to appear before your esteemed committee in order to inform its members about the ordeal of the Assyrian people in Iraq.

The recent atrocities committed by the regime of Saddam Hussein in Kuwait are not new. The same regime has terrorized its own people for years. Reports by the Amnesty International, U. S. State Department, Human Rights Watch, and the United Nations' Human Rights Commission tell us about Saddam's criminal activities against the Kurd and Assyrian minorities in Iraq. Beside the Kurds, his regime has executed hundreds of Assyrians and destroyed their villages and churches in the northern region of the country. The one million Assyrians living in Iraq have been subjected for years to an ethnocide policy carried deliberately against them by the government.

Mr. Chairman, in the history of mankind and civilization, many nations have existed and have developed from ancient times to our days. Some of them are great nations who have spread their power under one form or another and ruled other nations. Others are smaller ones who tried hard through history to survive the assimilation process imposed on them by forces that repeatedly invaded their territory and homeland. The Assyrian Nation, "the oldest heart from which emanated the fire of civilization", is one of those "small" nations. This small nation has suffered enormously over the past twenty centuries. These were centuries of massacres, fragmentation, exile, and occupation of their ancestral homeland.

CIVILIZATION HAS ALWAYS BEEN UNDER THREAT FROM FORCES OF BARBARISM. WITHOUT A STRONG ARM TO DEFEND IT, IT CAN BE DESTROYED. From the beginning of the third millennium B.C. the civilization upon which our own is based took root in the plain of the Tigris and Euphrates (Mesopotamia or Bet-Nahrain) present day Iraq. In the course of the next two millennia its influence spread out, toward Iran, Turkey, Syria, and the borders of Egypt. Expanding Mesopotemian civilization needed a defender. It found it in the kingdom of Assyria. The Assyrians spread their empire from western Iraq to Egypt, from the the Persian Gulf to central Asia Minor, sweeping away petty tyrannies, bringing security and good administration, and giving the region the beginnings of cultural unity.

Just before 600 B.C. the Assyrians were overthrown. But the peoples who overthrew them had learned the arts of government from the Assyrians themselves, and the Assyrian imperial achievements passed as a heritage to the Persians, and then to Alexander the Great and hellenistic world. The Assyrian Christian community in old Assyria showed themselves the most influential of the eastern churches. Their energy and evangelistic zeal spread Christianity across Asia into India and to the borders of China. Later, Mongol invasion and Muslim intolerance destroyed much of this, but the Assyrians remained strong in their Near Eastern homeland.

At the outbreak of this century, and as the oppressed nations of the world were seeking to free themselves, the Assyrian people, then under the rule of the Turkish Ottoman Empire, was the victim of repeated massacres. The well prepared scheme for this genocide resulted into the massacres of thousands of Assyrians and the deportation or expulsion of the remaining Assyrian population from the South-Eastern region of present day Turkey. Documents related to these terrible

massacres were presented by the Assyrian delegates to the 1919 Peace Conference in Paris and the Lausanne Conference of July 1923. The Assyrians were never allowed to return to their homeland as was stipulated in the Treaty of Sevres, and despite the protection granted to them under the Treaty of Lausanne, which is still in force, the conditions of the Assyrian people deteriorated rapidly.

More than 60 years ago the international community, through League of Nations, realized these sufferings and determined that the Assyrian people were entitled to self-government in the Province of Mosul in northern Iraq, their ancestral homeland. After the Conference of Constantinople of May 1924 and the League of Nations arbitration of November 1925, the Mosul area was incorporated in the newly formed British protectorate of Iraq with autonomous minority rights guaranteed to the Assyrians before the Council of the League of Nations by the British and Iraq governments on December 16, 1925. In spite of these guarantees, the Assyrian people are still suffering human and cultural oppression in the Middle East, which can be assimilated to forms of genocide. They are still awaiting the fulfillment of the international promises given to them.

Mr. Chairman, the Assyrians of today are suffering from an ethnocide policy carried against them by the Iraq Government. The Arabization and distortion of their history continues; depopulation of their villages in the northern region continues; the destruction of their churches and monasteries continues; and the disappearance and execution of large numbers of Assyrians continues. In Iraq, we are witnessing the violation of Human Rights as a tactic of nationalist suppression. Saddam is hacking the backbone out of the Assyrians and other minorities. At stake are human rights and democratic freedom.

The government has made it impossible for anyone to discover what is really going on in Iraq. No one can say for certain how many of the one million Assyrians in Iraq have been executed; how many have been tortured; how many have died from the poison gas; and how many more have disappeared and simply been forgotten. Yet, there is evidence to support the view that the Assyrians, and all Iraqis, live in a state of terror. This is recorded in yearly reports of the U.S. State Department, Amnesty International, Human Rights Watch, and the United Nations. In addition, over the past years, the Assyrian National Congress has received hundreds of accounts of torture and of summary execution and the use of chemical weapons and mass deportation.

In one case, Amnesty International reported that 150 Assyrians were arrested in mid-August 1984 by security forces and detained in prison in Baghdad. According to the Amnesty International they were arrested for demanding "national and equal rights" and for urging the government to cease "its policy of wiping out the Assyrian community in Iraq." In 1985, Amnesty International received several reports of mass execution of prisoners without prior legal proceedings or following summary trials with no right of defence or appeal. Among the reported victims were government opponents, including members of the Assyrian Democratic Movement of Iraq.

Mr. Chairman, a more detailed account of atrocities committed against the Assyrians by the Iraq Government has been submitted to your committee in my written testimony. This account includes:

1. An Amnesty International list of the executed Assyrians in 1985.

2. An Amnesty International report (June 14, 1990) on the disappearance of 33 Assyrian families following their return to Iraq from Iran and Turkey in late 1988 or early 1989 under official amnesty. The Iraqi regime has always practiced the principle of collective punishment.
3. A list of 29 Assyrians, including professionals, students and soldiers, who were sentenced by the regime to 15-20 years imprisonment.
4. A list of 84 destroyed Assyrian villages, including churches and monasteries in the Mosul and Dohouk provinces.
5. A list of Assyrian families in Turkey who fled northern Iraq after chemical attacks by the Iraqi Army.

The Assyrian National Congress feels that these atrocious crimes and the racist policies of the government have forced thousands of Assyrians to flee their homeland and seek refuge in the western countries. Many countries in Europe, United States, Canada and Australia are experiencing the hardships of the Assyrians through the great number of refugees which come to them from the Middle East in a continuous exodus.

Mr. Chairman, before it meets the fate it deserves, the present Iraqi regime is expected to commit still further horrific crimes against the Iraqi people. This is corroborated by the assassination plots directed against the leadership of peace and democracy in Iraq. Just last February, the FBI discovered an Iraqi assassination plot which was directed against my life by the Iraqi United Nations' Mission in New York. The alleged assassin was arrested and an Iraqi diplomat from the United Nations' Mission was expelled from this country by the State Department.

IN VIEW OF THOSE ESTABLISHED AND IRREFUTABLE FACTS:

THE ASSYRIAN NATIONAL CONGRESS

States that the Government of Iraq is continuously breaking its obligations under:

- The Charter of the United Nations.
- The Universal Declaration of Human Rights, especially Article 2, 3, 6, 7, 8 and 9.
- The United Nations' Convention on Civil and Political Rights, especially Article 18, 19, 24, 26 and 27.
- The United Nations' Covenant of Economic, Social and Cultural Rights, especially Article 13 and 15.
- The United Nations' Working Group on the Rights of Persons Belonging to National, Ethnic, Religious and Linguistic Minorities.

and thus clearly of the Helsinki Final Act as a whole and primarily of principles VII and VIII, as well as of the Madrid Review Meeting's principles of the respect for the rights of National Minorities.

THE ASSYRIAN NATIONAL CONGRESS

Seeks redress of this unjust and discriminatory situation. It appeals to all governments to support

the Assyrians in their quest to regain their full administrative, political and cultural rights in northern Iraq, in accordance with the decisions of the Treaty of Lausanne and the League of Nations, especially the decision of December 16, 1925. We implore the world to give us justice through diplomacy. We want to live in peace, with our rights granted, in the geographical and political frame-work of a democratic Iraq. We believe that peace and tranquillity in Iraq, and indeed in the Middle East, will be enhanced when the Assyrian people, one of the most ancient people in the world, are granted their administrative and cultural rights.

It is important to recognize the fact that in the Middle East the historical roots of the people predate the present political arrangements. Most of the boundaries between existing states are recent and sometimes artificial, having been drawn by outside powers for their own convenience with little regard for national affinities of culture and traditions. Time in the Middle East, like time elsewhere, moves relentlessly forward. If the future is to be something more than just a repetition of the past, it must be seen as an opportunity to build a new vision on the richness of the past.

Mr. Chairman, There is a tragedy in the making in Iraq. It must not be allowed to happen. The fact that the Assyrians have the misfortune to be citizens of the state which is attacking them must not be allowed to deprive them of protection against a flagrant violation of International Law. The Assyrians in Iraq deserve the same attention which the world give to other human groups confronted with spiritual, social, economic and human rights difficulties. Furthermore, they deserve special attention as custodians of the early traditions and the ancient Assyrian (Aramaic) language.

The human race cannot but live freely on the surface of this Globe and every person has his/her right for freedom as a member of mankind. We believe in the relationship based on fraternity, liberty and equality. But we do, unfortunately, see ourselves deprived of all principles of justice.

The Assyrians will not go away; we shall not fade away. Our history is spread over 6740 years. A day will come when the forces of justice and democracy will come out as victors in their present desperate struggle against evil in Iraq. THANK YOU MR. CHAIRMAN.

EXTERNAL

AI Index: HDE 14/04/87
Distr: SC/DP/CO/GR

Amnesty International
International Secretariat
1 Easton Street
London WC1X 8DJ
United Kingdom

Date: 21 May 1987

THE DEATH PENALTY IN IRAQ:

LIST OF PERSONS REPORTED EXECUTED/SENTENCED TO DEATH
BETWEEN JANUARY 1985 AND JANUARY 1987

This document contains information received by Amnesty International concerning the names and details of persons reported to have been executed or sentenced to death in Iraq between January 1985 and January 1987.

THE DEATH PENALTY IN IRAQ:

LIST OF PERSONS REPORTED EXECUTED/SENTENCED TO DEATH BETWEEN JANUARY 1985 AND JANUARY 1987

NOTE: ADM - Assyrian Democratic Movement
KDP - Kurdistan Democratic Party
ICP - Iraqi Communist Party
KPDP - Kurdistan Popular Democratic Party
KSP-I - Kurdistan Socialist Party - Iraq
PUK - Patriotic Union Of Kurdistan

1985

	<u>NAME</u>	<u>DATE OF EXECUTION</u>	<u>OTHER INFORMATION:</u>
	1. Mazin Muhammad	2nd week of January	Convicted for rape and robbery.
✓	2. Yousef Toma Zibari	6 February	ADM member, 32, engineer. Execution confirmed by the government.
✓	3. Youkhana Esho Shlimon	6 February	ADM member, 38, business consultant. Execution confirmed by the government.
✓	4. Youbert Benyamin	6 February	ADM member, 29, engineer. Execution confirmed by the government.
	5. Muhammad 'Ali Zahir	3rd week of February	KDP member, executed in Mosul Prison. Government said it had no information on him.
	6. Hadji Ahmad Osman	3rd week of February	KDP member, executed in Mosul Prison. Government said it had no information on him.

amnesty international

IRAQ/TURKEY

IRAQI KURDS: AT RISK OF FORCIBLE REPATRIATION FROM TURKEY AND HUMAN RIGHTS VIOLATIONS IN IRAQ

JUNE 1990

SUMMARY

AI INDEX: MDE 14/06/90

DISTR: SC/CO/GR

Amnesty International is concerned about the fate of an estimated 27,500 Iraqi Kurds who are currently in refugee camps in southeast Turkey. The absence of any legal protection places them at risk of being forcibly returned or extradited from Turkey to Iraq, where they could face "disappearance," torture or execution. According to reports, pressure has been used by the Turkish authorities to coerce some Iraqi Kurds to return to Iraq under official amnesties. Reports suggest that in the past 18 months hundreds of Iraqi Kurds, as well as Assyrians, Arabs and Turcomans, who sought to benefit from official amnesties have since "disappeared" in custody, were tortured or executed. A number of such cases are cited in this paper.

In August and September 1988 over 55,000 Iraqi Kurds fled to Turkey from northern Iraq to escape military attacks by Iraqi government forces on civilian targets using, among other things, chemical weapons. Turkey has ratified the 1951 United Nations Convention relating to the Status of Refugees and has acceded to its 1967 Protocol, but has stipulated that it will apply the provisions of the Convention only to people who have become refugees as a result of events occurring in Europe. Turkey granted the Iraqi Kurds "temporary shelter" in the expectation that they would seek permanent asylum in other (third) countries.

Since September 1988 the Iraqi Government has granted five amnesties to political offenders, two of which were intended specifically for Kurds. However, in September 1988 it refused to allow the International Committee of the Red Cross to help monitor the repatriation of Kurdish refugees from Turkey. Numerous reports have since been received of the "disappearance", torture and execution of Kurds and other Iraqis who have sought to benefit from such amnesties. To date there has been no independent international monitoring of the repatriation process. This is disturbing in view of recent reports that numerous Iraqi Kurds returned to Iraq in April, May and June 1990, and that some of them may have been coerced into returning while an official amnesty still applies.

In this document, Amnesty International calls on the Turkish Government to protect the Kurdish refugees and other Iraqis from forcible return to Iraq, and not to use pressure of any kind to coerce them to

return under official amnesties granted by the Iraqi Government. It urges the Iraqi Government to take immediate steps to ensure the safety of all Iraqi citizens who return under such amnesties and to disclose their fate and current whereabouts. Finally it calls on both governments to ensure the independent, international monitoring of all stages of the repatriation of those Iraqis who choose to return to their country.

This summarizes a 19-page document, Iraqi Kurds: at Risk of Forcible Repatriation from Turkey and Human Rights Violations in Iraq, AI Index: MDE 14/06/90, issued by Amnesty International in June 1990. Anyone wanting further details or to take action on this issue should consult the full document.

INTERNATIONAL SECRETARIAT, 1 EASTON STREET, LONDON WC1X 8DJ, UNITED KINGDOM

APPENDIX A

List of 33 Assyrians who "disappeared" with their families following their return to Iraq from Iran and Turkey in late 1988/early 1989 under official amnesties.

<u>Name</u>	<u>Other information</u>
1. Shlimon Youkhana	Married and has five children; from the village of Bash in Duhok
2. Hormiz Shmoel Yusuf	Married and has six children; from the village of Bash in Duhok
3. Shabo Shmoel Yusuf	Married and has three children; from the village of Bash in Duhok
4. Warda Shlimon	Married; from the village of Bash in Duhok
5. Narsa Warda Shlimon	Married and has seven children; from the village of Bash in Duhok
6. Eshaya Warda Shlimon	Married and has two children; from the village of Bash in Duhok
7. Goriel Youkhana Kasha Butros	Married and has one child; from the village of Bash in Duhok
8. Esho Oraha Shela	Married and has three children; from the village of Bash in Duhok
9. Kena Giliana	From the village of Bash in Duhok
10. Hormiz Kena Giliana	From the village of Bash in Duhok
11. Youkhana David Youkhana	Married and has eight children; from the village of Karo in Duhok
12. Marbina David Youkhana	Married and has five children; from the village of Karo in Duhok
13. Ismail David Youkhana	Married and has one child; from the village of Karo in Duhok
14. Eskharja 'Aziz Ya'qub	Married and has three children; from the village of Karo in Duhok
15. Daniel Juna Juna	
16. Goriel 'Aziz 'Abdal	
17. Hamaneh Mikhael	
18. Baito Yusuf Mikhael	

- | | |
|-----------------------------|--|
| 19. Farida 'Issa Oraha | Married and has four children; from the village of Wela in Duhok |
| 20. Warda Esho Warda | Married and has one child; from the village of Derekne in Duhok |
| 21. Warda Ismail Zaka | Married and has seven children; from the village of Derekne in Duhok |
| 22. Nimrod Dinkha Gewargis | From the village of Moska in Duhok |
| 23. Dawud Oshana | From the village of Baz in Duhok |
| 24. Beplo Warda Daniel | From the village of Kanibalas in Duhok |
| 25. Nabil Yusuf Youkhana | From the village of Kanibalas in Duhok |
| 26. Napoleon Yusuf Youkhana | From the village of Kanibalas in Duhok |
| 27. Ishaq Adam | From the village of Dawudiya in Duhok |
| 28. Anwar Shahin Dawud | From Kirkuk |
| 29. Monir Elia Yusuf | From Baghdad |
| 30. Edward Gewargis | From the village of Atush in Nineveh |
| 31. Ashur Odisho | From Baghdad |
| 32. Imad Giliana | From the Tel-Kef region of Nineveh |
| 33. Amir Ishaq Oraha | |

ASSYRIANS VICTIMS OF REPRESSION IN IRAQ

APRIL 1988

The Assyrian National Congree is appealing to all governments and international organizations to condemn the ethnocide policy of the Iraqi Government against the Assyrian people, the original inhabitants of Iraq (Bet-Nahrain or Mesopotemia). In the past few months the Iraqi Government has employed various method, such as burying wells, burning fields and forests and the use of Chemical, phosphoric, cluster and napalm bombs, to force the Assyrians out of their villages.

The following is a list of Assyrians who have been sentenced by the regime to 15-20 years imprisonment without lrgal trial. Many of these prisoners have disappeared:

	<u>BORN</u>	<u>TOWN</u>	<u>OCCUPATION</u>
1. Abdul Ahad Georges	1955	Zakho-Duhok	Soldier
2. Ashur Barcham Aushana	1963	Kirkuk	=
3. Rapphail Nanno Hormiz	1946	Blejani-Amadiya	Farmer
4. Patrus Nanno Hormiz	1954	Blejani-Amadiya	Soldier
5. Toma Hormiz Esho	1923	Blejani-Amadiya	Retired official
6. Nanoleon Majeed Patrus	1955	Bebade-Amadiya	Soldier
7. Robert Khoshaba Khaye	1957	Bebade-Amadiya	Soldier
8. Raed Polus Shlimon	1963	Duhok	Soldier
9. William Khoshaba Auraha	1968	Duhok	Labourer
10. Amin Sinia Younan	1958	Nineveh	Soldier
11. Edward Moshi	1960	Mosul	=
12. Napoleon Moshi	1962	Mosul	=
13. Aprim Pithyo Jajo	1962	Mosul	=
14. William Attira	1960	Kirkuk	=
15. Laith Ramzi Michael	1960	Baghdad	=
16. Jhoni Naddo Pithyo	1961	Baghdad	=
17.. Mansor Jajo Mansor	1964	Baghdad	=
18. Esho Jajo Mansour	1967	Baghdad	=
19. Sabah Younan	1960	Baghdad	=
20. Sabah Stefan Yacob	1954	Baghdad	=
21. Farid Stefan Yacob	1970	Baghdad	=
22. Amir Alqas Khoshaba	1965	Baghdad	=
23. Wilson Johnson Dikson	1958	Baghdad	=
24. Daniel Awishalam	1958	Mosul	=
25. Shimon Hanna Matti	1932	Baghdad	=
26. Yousif Belaty	1962	Baghdad	=
27. Esho Belaty	1967	Baghdad	=

→

28. Aprim Ezdin	1951	Baghdad	=
29. Aziz Maroge	1958	Baghdad	=

In addition, More than 31 Assyrian villages from the Duhok area, plus 25 monastries and churches, were destroyed starting in April 1987.

On May 1988, Raphail Nanno Hormis (number 3 on the above list), a 42 year old Assyrian farmer from Blejani village near Ammadiya, was executed on 7th January 1988 at Abu Ghraib prison. He was married with 7 children.

The Assyrian United Front,
The Assyrian National Congress.



The Assyrian National Congress

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"Let Us Unite And Gather The Fragments That Nothing' Be Lost"

TO: Secretary General of the United Nations
The United Nations Building
New York, N.Y.

Your Excellency:

The member parties affiliated with the Assyrian United Front, the political arm of the Assyrian National Congress, are happy to extend to you their warmest greetings and salutations for your efforts in bringing about an end to the Iraq-Iran war and saving the people of both countries from the holocaust of this war.

As you are aware, the latest amnesty issued by the fascist regime of Baghdad is no more than a trap for the opposition Iraqi parties. An Assyrian citizen was fooled by this amnesty. Upon his return to Iraq from Greece, Mr. Hirmiz Nicola of Karkuk, Iraq (born in 1964) was promptly arrested and brutally executed.

We call upon your excellency to immediately intervene in this matter and ask the Iraqi authorities to put an end to their policy of annihilation against the Assyrian people. Recently, the regime killed an Assyrian family of the city of Ein-Kawa. The names of this unfortunate family are:

Polous Aziz Sheba (Father).
Meska Wardina Sheba (Mother).
Hamama Polous (Daughter).
Sabiha Polous (Daughter).

Enclosed you will find a list of Assyrians who tried the amnesty issued by the Iraqi Government and who returned to Iraq from Iran and Turkey. The whereabouts of these Assyrians is still unknown to us and to their own families residing in Iraq. We urge you to use your influence with the Iraqi authorities to locate and find these missing persons. Our shared concern is that these Assyrians have been executed by the regime in Baghdad.

The Assyrian United Front, Middle East.
(The Assyrian National Congress)
Late March 1989.

- * The Assyrian Democratic Union of Iraq.
- * Bet-Nahrain Democratic Party,
- * The Assyrian National Democratic Party.

Copies of this letter were sent to:

- Members of the United Nations' Security Council.
- The World Peace Council.
- The Non-Allied Movement.
- President George Bush, USA.
- President Francois Mitterrand, France.
- Chancellor Helmut Kohl, West Germany.
- Prime Minister Margaret Thatcher, Great Britain.
- The European Parliament.
- Amnesty International.
- The International Red Cross.
- The Human Rights Commission of the United Nations.



The Assyrian National Congress *ܩܘܼܪܼܬܼܐܼ ܕܼܩܼܪܼܝܼܢܼܐܼ ܕܼܢܼܫܼܐܼܢܼܐܼ*
 "Let Us Unite And Gather The Fragments That Nothing Be Lost"

<u>NAME</u>	<u>WIFE</u>	<u>CHILDREN</u>	<u>VILLAGE</u>	<u>REGION</u>	<u>STATE</u>
1. Shlemon Youkhana	Helaneh Dawood	5	Bash	Deralok	Dohouk
2. Hormiz Shmoel Yousif	Sherenh Khoshaba Odisho	6	"	"	"
3. Shabo Shmoel Yousif	Khinzada Youkhana	3	"	"	"
4. Warda Shlemon	Badreh	-	"	"	"
5. Narsa Warda Shlemon	Yasmeh Youkhana	7	"	"	"
6. Eshaya Warda Shlemon	Melo Sada Mikhael	2	"	"	"
7. Goriel Youkhana Kasha Warda	Badreh Khnano	1	"	"	"
8. Esbo Orah Shela	Chebeh David Yousif	3	"	"	"
9. Kena Giliana	-----	-	"	"	"
10. Hormiz Kena Giliana	-----	-	"	"	"
11. Youkhana David Youkana	Khawa Sawa	8	Karo	"	"
12. Marbina David Youkhana	Julia Leon	5	"	"	"
13. Ismail David Youkhana	Nazeh Youkhana	1	"	"	"
14. Eskheria Aziz Yacoub	-----	3	"	"	"
15. Daniel Juna Juna	-----	-	"	"	"
16. Goriel Aziz Abdal	-----	-	"	"	"
17. Hamaneh Mikhael (elderly woman)	-----	-	"	"	"
18. Baito Yousif Mikhael	-----	-	"	"	"
19. Farida Esa Orah	-----	4	Wela	"	"
20. Warda Esho Warda	Monera Marogel Mesho	1	Derekne	"	"
21. Warda Ismail Zaka	Melo Marogel Mesho	7	"	"	"
22. Nimrod Dinkha Gewargis	-----	-	Moska	Kanamaseh	"
23. Dawood Oshana	-----	-	Baz	"	"
24. Beplo Warda Daniel	-----	-	Kanebalas	"	"
25. Nabil Yousif Youkhana	-----	-	"	"	"
26. Napleon Yousif Youkhana	-----	-	"	"	"
27. Es-Haq Adam	-----	-	Dawoodeya	Sarsank	"
28. Anwar Shahan Dawwod	-----	-	"	"	Karkuk
29. Moner Elias Yousif	-----	-	"	"	Baghdad
30. Edward Gewargis	-----	-	Atosh	Shekhan	Nineveh
31. Ashur Odisho	-----	-	"	"	Baghdad
32. Emad Giliana	-----	-	"	Tel-Kef	Nineveh
33. Amir Es-Haq Orah	-----	-	"	"	"

Issued By:

The Assyrian United Front, Middle East.
 (The Assyrian National Congress).

Late March 1989



The Assyrian National Congress *ܩܘܪܝܢܘܢܐ ܕܩܘܪܝܢܘܢܐ ܕܐܣܝܪܝܐ*
 "Let Us Unite And Gather The Fragments That Nothing Be Lost"

Late November 1989
 Assyrian United Front
 (MIDDLE EAST)

ASSYRIAN VILLAGES DESTROYED

A list of 32 Assyrian villages destroyed by the Iraqi Army during 1975-1976. In these villages lived nearly 50,000 inhabitants who were transferred to the following camps: BEGOVA, BATOFA, DERKARAJAH, BERSEFEH, HEZAWA, SHARA-DEZAH, and DERLOK.

<u>NAME OF THE DESTROYED VILLAGE</u>	<u>PROVINCE</u>	<u>DISTRICT</u>	<u>NAME OF THE DESTROYED VILLAGE</u>	<u>PROVINCE</u>	<u>DISTRICT</u>
1. Be-Balo	Dohouk	Amediya (Barwareh Bala)	1. Tashesh	Dohouk	Amediya
2. Akre	"	"	2. Jdedeh	"	"
3. Shammat-Bela	"	"	3. Kanamaseh	"	"
4. Harwa	"	"	4. Duresh-Keh	"	"
5. Sardashteh	"	"	5. Ryis	"	"
6. Marekh-Ka	"	"	6. Mergajaya	"	"
7. Khwara	"	"	7. Moska	"	"
8. Botara	"	"	8. Baz	"	"
9. Haghrebe	"	"	9. Toteh-Shemayah	"	"
10. Be-tanoreh	"	"	10. Kane-Balaveh	"	"
11. Doreh	"	"	11. Daoudeya	"	Doskee
12. Beshmeyayah	"	"	12. Tin	"	"
13. Pyed	"	"	13. Zeheh	"	"
14. Maya	"	"	14. Gondakosa	"	"
15. Bekolkeh	"	"	15. Aradin	"	"
16. Cha-kalch	"	"	16. Bacheka	"	"
17. Cha-lek	"	"	17. Enesh-Keh	"	"
18. Nerwa	"	Doskee	18. Benata	"	"
19. Bash	"	"	19. Bebadeh	"	"
20. Karo	"	"	20. Belojaneh	"	"
21. wela	"	"	21. Dohouke	"	"
22. Esapa	"	"	22. Merestik	"	"
23. Asan	"	"	23. Bovawa	"	"
24. Argem	"	"	24. Dareh	"	"
25. Soria	"	Zakho	25. Derekneh	"	"
26. Fish-Khabour	"	"	26. Bavelo	"	"
27. Dearaboun	"	"	27. Bekh-Teneh	"	Simel
28. Sharanj	"	"	28. Bajerkeh	"	"
29. Sanak	"	"	29. Badalya	"	"
30. Omra	"	"	30. Sheyoz	"	"
31. Esnekh	"	"	31. Alanosh	"	Zakho
32. Reesh	"	Doskee	32. Merveh	"	"
			33. Lavo	"	"
			34. Mala-Arab	"	"
			35. Mergavar	"	"
			36. Peraka	"	"
			37. Nakhtengala	"	"
			38. Jameh-Goleh	Mosul	Akra
			39. Kash-Kawa	"	"
			40. Bel-Met	"	"

ANOTHER LIST OF 52 ASSYRIAN VILLAGES DESTROYED BY THE IRAQI ARMY BETWEEN AUGUST 25-SEPTEMBER 15, 1988. THEIR INHABITANTS WERE DRIVEN INTO TURKEY AND IRAN TO FACE EXTERMINATION AND STILL OTHERS WERE TRAPPED INTO IRAQI TO FACE INTERNMENT CAMPS:

CONTINUED ON THE NEXT PAGE...



The Assyrian National Congress ܠܚܕܝܢܝܢ ܠܚܕܝܢܝܢ ܠܚܕܝܢܝܢ
 "Let Us Unite And Gather The Fragments That Nothing Be Lost"

ASSYRIAN VILLAGES DESTROYED continued...

41. Rezaneh	Mosul	Akra (Al-Sheekhan)
42. Ravatkeh	"	"
43. Atoosh	"	"
44. Awnalkeh	"	"
45. Juleh	"	"
46. Chameh-Seneh	"	"
47. Cham-Ravatkeh	"	"
48. Nerokeh	"	"
49. Khalilaneh	"	"
50. Chameh-Ashrad	"	"
51. Malanbos	"	"
52. Ber	"	"

APPENDIX 6

**STATEMENT OF DISPLACED PERSONS IN THE MIDDLE EAST
(SUBMITTED BY HON. ELIZABETH TAMPOSI, ASSISTANT SECRETARY,
CONSULAR AFFAIRS, DEPARTMENT OF STATE)**

The August 2 invasion of Kuwait by Iraq has generated a tremendous number of displaced persons. Much of this is due to Iraq's destruction of the Kuwaiti economy and Saddam Hussein's deliberate use of foreigners as pawns or hostages in his confrontation with the international community. The exact numbers are difficult to pinpoint, since more people flee Iraq and Kuwait every day. However, the following estimates can be considered accurate to date:

- Over 540,000 people have fled to Jordan from Iraq
- About 40,000 have crossed the Turkish-Iraqi border
- 60-70,000 have entered Syria from Iraq.
- Over 20,000 have crossed the Iraq-Iran border
- Well over 240,000 people have fled to Saudi Arabia and other Gulf states from Kuwait.

Those fleeing are generally third-country nationals who until August 2 were employed in Iraq and Kuwait; in most cases they have escaped with little or no personal resources. Some lost everything they had from decades of productive work in Iraq and Kuwait and will go back home penniless. The overwhelming numbers of displaced persons have imposed a severe resource burden on countries such as Jordan and Turkey.

Jordan, Turkey, Saudi Arabia, and other countries have undertaken impressive efforts to care for the displaced persons. While conditions in some of the camps were initially harsh, there have been no deaths due to starvation or epidemic disease. In Jordan, the worst camps are now closed and the residents moved to new camps with adequate sanitation and shelter. In Turkey, the only victims of hunger and disease being cared for are newly-arrived displaced persons who developed their conditions while still in Iraq.

The international response to this emergency is now effectively meeting the challenge. The Red Crescent societies in Jordan, Turkey, and Saudi Arabia have been in the forefront in helping care for the displaced persons. They are now backed up by an array of international agencies and personnel. In Jordan, the United Nations Disaster Relief Organization (UNDRO) coordinates the work of UN agencies such as UNICEF, UNDP, WFP, and WHO. The International Committee of the Red Cross (ICRC) and the League of Red Cross/Red Crescent Societies (LICROSS) are playing a major role. U.S. and European non-governmental organizations have also become active.

Perhaps the most critical element in this emergency is the effort to transport the displaced back to their home countries. Egyptians make up the largest number of these workers. Saudi Arabia and the EC have now largely assured steady movement of Egyptians through Jordan to home. India is

stepping up repatriation of its citizens to more than 3,000 per day. The International Organization for Migration (IOM) is coordinating transportation arrangements for the other displaced, mostly those from South Asia whose governments cannot cover the costs. IOM has scheduled the movement of 50,000 persons through the end of September. As a result of those efforts, the number of persons in Jordan has dropped below 40,000.

The international donor community has committed over \$200 million to this international relief effort, including cash, aircraft, food, and other supplies. The United States has committed up to \$28 million -- \$10 million for transportation and up to \$18 million in food and other aid. The efforts of the host governments and generous international assistance have stabilized the situation for now. However, the potential for a future crisis remains. Over 2 million foreign nationals remain in Kuwait and Iraq. If and when they make it across the borders, most will require the same short-term care and transportation assistance as those who fled before them.

APPENDIX 7

**STATEMENT SUBMITTED BY MARLENE A. YOUNG,
EXECUTIVE DIRECTOR, NATIONAL ORGANIZATION FOR
VICTIM ASSISTANCE (NOVA)**

Chairmen Dymally and Hamilton and members of the subcommittees, I am Marlene Young, Executive Director of the National Organization for Victim Assistance, whose headquarters are here in Washington. I am honored to submit the following testimony for your hearing record.

I will first describe NOVA and what it is doing to help our State Department help the thousands of families whose loved ones recently were trapped behind the borders of Iraq and Kuwait, or remain so, as actual or virtual hostages; second, I will outline our perspectives on the nature of the emotional trauma facing these families and others who have confronted death or grave danger on a wide scale; and third, I will suggest ways in which both the State Department and other agencies of government can better prepare for such crises in a coordinated way in the future.

* * *

By way of background, NOVA was founded in 1975, and so is the oldest of the national victim rights groups worldwide. In addition to serving our membership, the NOVA Board has charged the NOVA staff and volunteers to pursue three broad missions:

First, to represent the victims' cause in policy-making bodies nationwide, the order to insure that all victims of crime and other stark misfortunes are treated with compassion and justice.

Second, to provide education and training services to members of the victim services professions and their professional allies in criminal justice, in the mental health professions, in the armed forces, the

diplomatic corps, and many others who seek to respond effectively to trauma victims.

And third, to be of direct help to such victims by linking them with local service providers when possible or by helping them ourselves when necessary.

That last mandate has prompted us to have our phones answered 24 hours a day, to insure that the thousands of victims who call us yearly will get help promptly; to establish a victim service program here in Washington especially targeted on victims of drug-related crime; to send "Crisis Response Teams" to the scenes of community-wide disasters, be it a plane crash or a mass shooting; and to be of help with families affected by overseas hostage-taking and terrorism.

What help we have been able to give to such families began in 1980, with the Iranian hostage-taking. It continued with some of the families affected by the hostage-taking in Lebanon, and was revived in our work with a group of families who grieve over the killing of their loved ones aboard Pan Am 103. Now that special service is extended to all the families affected by the crisis in the Persian Gulf.

Let me describe how that came about and what we are doing.

* * *

Some time last year, the normal rotation of leadership in the consular service brought in officials who began a fairly systematic review of how best to deal with the crises that beset American citizens overseas.

Among the examples of this openness to new ideas, I can cite two: a number of consular service staff have recently attended our week-long training programs on how best to respond to community-wide crises; and second, Nicholas Ricciuti, Director of the Citizens Emergency Center, agreed to participate in our regular workshop on hostage-taking and terrorism at our 16th annual conference, which was held in the last week of August.

In a discussion with Mr. Ricciuti at that conference, we agreed to come in to give him ideas on how the network of victim advocates nationwide might be helpful to the families affected by the current crisis. Incidentally, we generically call these "hostage families" even though we appreciate that the term is sometimes in dispute.

Out of that Labor-Day meeting with staff of the Kuwaiti Task Force came this request and this offer:

First, we were requested to field calls referred to us by the Task Force from the many "Good Samaritans" who called State to offer their help. We agreed to do what we could to support those people.

And second, we offered to draft three booklets on coping strategies in such stressful situations -- one for waiting families, one for reunited families, and one for their helpers.

By burning some midnight oil, we delivered within a week a draft of

such a "Handbook" (having decided to merge all three topics in a single publication). While NOVA alone takes responsibility for its contents, we clearly needed State officials to clear it if they were to send it to the family members. That was soon forthcoming, we got the Handbook printed, and State began mailing it to the families last week.

A copy of the Handbook is appended to this testimony.

We produced the Handbook in the same way we have responded to other hostage crises -- by adding more hours to our staff's work-week and by asking our local volunteers to help out in the crisis. But somewhere along the way, I determined that the burdens we were taking on might well outstrip our reserves of cash and volunteer resources, so I began a search for a small grant to cover our printing costs and the cost of hiring a counselor for three months, to help handle the many calls we expected from family members.

The State Department was sympathetic but lacks spare resources just now. However, we found that their colleagues at the Office of Justice Programs in the Justice Department do have some grant funds available -- as well as years of experience in promoting crisis services for trauma victims. For them the need was understandable, and compelling.

I am pleased to report that OJP has been very receptive to the idea of funding the project, and that one of its agencies, the National Institute of Justice, hopes to award such a grant any day now. Acting on the trust that is required of us all in crisis situations, I can also report that we have hired our new, temporary crisis counselor, and indeed, tomorrow is her first day on the job.

In addition to thanking our Justice Department colleagues for their support, I want to commend them for seeking to act with such dispatch in the immediate crisis. Understandably, I hope that their efforts will soon bear fruit.

In writing the Handbook, we felt ethically obligated to invite readers to call us, so that we might link them up with local victim service providers. Now we are ready for those calls, and welcome them.

We will also use those contacts to tell family members about other free services available to them -- like psychological counseling through USA GIVE, and the information clearinghouse provided by the Welcome Home Committee, and the offer of help preparing tax returns arranged by the American Institute of Certified Public Accountants, among others.

As for families dealing with survival issues -- like food, clothing, and shelter -- we will be referring them to the Red Cross, which we understand is the primary backup service to the Department of Health and Human Services and its network of state and local agencies helping out in this emergency.

In a similar way, we are seeking to mobilize a special network of local victim assistance agencies, largely through state administrators

of grant programs. So far, the response has been universally positive. And from the initial calls we have received from family members, it appears that they may make use of these and other helpers -- to unload some of their worries and fears, to help cut some red tape, or to get advice on how to deal with a suddenly-hyperactive child, as examples.

All of the known national helpers, in and out of government, will be trying to come together at an emergency conference on helping ease the psychological strain afflicting many hostage families. Organized by an expert on catastrophic stress on families, Dr. Charles Figley, a professor at Florida State University, the conference is being hosted by the American Association for Marriage and Family Therapy at its annual conference here in Washington. NOVA will be participating in the conference as will others, like the Institute for Victims of Terrorism. Further ideas for public and private initiatives in this and similar crises should emerge from the deliberations.

* * *

In looking beyond what is being done or should be done in the current crisis, I think it is important to describe all such disasters from the perspective of crisis counselors and trauma therapists.

To these practitioners, all the following are "disasters" in which their specialized assistance can be of help -- in fact, has been used:

- o The Edmond, Oklahoma, mass murder of 14 postal employees;
- o The 444-day captivity of Americans in the U.S Embassy in Iran;
- o The Radcliffe, Kentucky, bus crash, killing 27 people;
- o Hurricane Hugo's impact in San Juan, St. Croix, and the Carolinas.
- o And most recently, the serial killings of college students in Gainesville, Florida.

These examples offer some important dissimilarities and commonalities:

All involve the violent death of many people, or the threat thereof, due to a single incident or to the acts of a single individual.

Some are characterized by a huge amount of lost or destroyed property, and in that situation, crisis counseling is always subservient to efforts to meet the needs of survival. For some victims of Hurricane Hugo, for example, there were weeks of struggling just to get food and water. We have leaned from colleagues in disaster agencies that there are often overlooked victims with extended struggles with survival -- like families which just lost a breadwinner (true of some current hostage families) or which have been rendered destitute (also true of some families who fled Kuwait)

But for all, there is a significant risk that any such disaster will produce a personal, emotional crisis for the victims. Again, we have learned to look beyond the obvious victims, such as hostages and their families or the grieving relatives of anyone killed; others at risk of becoming emotional victims of the disaster include rescuers, eye witnesses to the carnage, loved ones who are not relatives, and whole

communities who identify with the direct victims.

America has a proud history of meeting the survival needs of disaster victims. But we and the rest of the world are only now learning how devastating are the emotional effects and aftereffects of disaster. To summarize these:

Crisis and trauma: in the immediate aftermath of the traumatic event, most victims face a barrier of shock, both physical and emotional. On the physical side there is numbness and "frozen fright". On the emotional side there is disbelief and denial. A great many victims can recall the times they said, "I don't believe this is happening" -- and such statements are often an accurate report of how their brains are refusing to absorb horrific information.

As the shock and disbelief recede, many victims encounter profound feelings of rage, terror, confusion, guilt and grief.

Long-term reactions: many victims respond to trauma with symptoms of stress for years. Those symptoms include sleepless nights, startle reactions, inability to concentrate, flashbacks, intrusive thoughts and so forth -- the classic symptomology of Post-traumatic Stress Disorder. Others who succeed in constructing a new, very functional life may nonetheless find themselves back in a temporary state of crisis when some sight or other stimulus vividly reminds them of the traumatic experience.

Some victims do not appear to have any of these symptoms, but still suffer from the stresses in their private life. For example, many people exposed to hostage taking or chronic trauma have a sense that they will die before they are old, or, as mental health professionals would put it, they have a sense of a foreshortened future.

We who have worked with victims of trauma -- including the multiple victims produced by a single disaster -- have learned two fundamental lessons about what is desirable in helping these victims:

- o The helper should be trained in crisis intervention and supportive counseling;
- o The helper should also be an advocate to help the victim protect his or her dignity in the face of bureaucratic indifference, or to get services they need and deserve from unfamiliar bureaucracies; hence, "victim advocate" is the most common title of the staff and volunteers who run the 7,000 victim assistance programs in the U.S. The term "victim advocate" also destigmatizes the service, and that too is for the good. Though the problems we are dealing with here are emotional and often so intense as to make the victim unable to function, they are also like the problems any of us have when we are felled by an accident or disease: our inability to function normally is the normal consequence that normal people experience in the wake of an abnormal, injurious event.

* * *

Our views on how to apply the lessons of the present crisis to future Federal policy fall into two categories: suggestions for the State Department specifically, and for government generally.

Regarding the State Department's Overseas Citizens Services, it is our perception that it is in a process of healthy reform, and the hostage families are the beneficiaries of those changes. These benefits include:

- o The mailing of the Handbook, with its invitation to use local victim advocates to expand the circle of helpers to waiting and reunited families.
- o And the invitation to a number of private groups to help out, even if this creates some extra stress on the Department later on.

The "healthy reform" at State goes beyond the management of this crisis. Its leaders appreciate that in the day-to-day work of its consular officers, they are often put in the role of a crisis counselor when they are called on to help American crime victims overseas, or give death notifications, or, more broadly, deal with every type of crisis that any of us may confront in our lives, but ones that happen to us far from our homes and our loved ones

We have seen many police departments reach a similar conclusion -- that its officers can be effective or ineffective crisis counselors, but they cannot escape being put in that role whenever they deal with traumatized people.

The issue for any such agency of government is not the "compassion" or "sensitivity" of its line staff; the great majority of consular officers, as with police officers, nurses and a host of others, are altruistic people. Instead, the three key issues for their managers are these:

- o Do my staff have the knowledge and skills to bring a kind of benevolent control to situations where their clients are in crisis?
- o Do we have in-house specialists as backup in problem cases, as resource-finders and advocates, and as trainers for line staff?
- o And do we have access to trained "Crisis Response Teams" in times of overwhelming emergency?

It is NOVA's impression that State has cobbled together the equivalent of a good, working "Crisis Response Team" for the current crisis, but that it presently lacks the resources -- but not the will -- to bring a more sophisticated and permanent set of crisis skills and resources into the consular services, for normal times as well as times of crisis.

These subcommittees are in a good position to give State the tools they need to complete the job. NOVA hopes you do so.

* * *

Every workforce is subject to being traumatized as a group by some catastrophic event, though some groups of employees, like all the uniformed services, are more at risk than others.

And virtually every Federal agency is subject to having the responsibility to manage some aspect of a disaster within its bailiwick but stretching far beyond its own workers. Thus, at Transportation, its plane and train crashes, at Commerce, it may be an event that threatens tourism, at Justice, it may be a mass murder. All of us are aware of the disasters that fall in State's domain.

These two truisms have for years suggested to us that not only should each department and agency strengthen its own ability to manage emotional traumas (as we have recommended for State), but that there should be a government-wide coordinating and backup center in service to all.

In a sense, what we propose is like the Federal Emergency Management Administration, but tiny in comparison -- with a dozen or two permanent staff -- an agency focused not on the physical manifestations of disaster but its pervasive psychic effects.

There are several aspects to this recommendation.

First, as a consulting agency, it would help to nurture other agencies' efforts to establish in-house crisis teams. We see this service extending not only to policy-makers, managers, and personnel departments but also to associations of employees so that every type of "Employee Assistance Program," for example, would have the ability to counsel individuals or groups of employees who have experienced a private or a work-related trauma.

This is becoming a hallmark of many Employee Assistance Programs in the private sector in pragmatic recognition that it is a cheap way to improve employee productivity and to reduce disability retirements.

Second, in preparing for wider-scale traumas, the agency could recruit and train volunteer professionals already skilled in one-on-one crisis intervention who are willing to participate in national or international crises to assist the victims and their caregivers.

We suggest volunteers because they can be found -- hundreds have asked to join our roster of Community Crisis Response Teams, for example -- and because this is in keeping with America's traditions of altruism in times of emergency -- and because it makes the service more affordable. Such volunteers should be recruited both within and outside the Federal workforce.

Third, we see as part of the specialized training given to the volunteers not only the techniques of how to administer "emotional first aid" to large groups of people -- the main focus of NOVA's training in this area -- but also an overview of the special kinds of crises that affect the national government, to better prepare them for their assignments.

Fourth, we envision the agency coordinating follow-up care for affected victims. To some degree, this may entail the recruitment of local victim advocates and mental health professionals, acting as volunteers, in the same way NOVA and USA GIVE are doing in the present crisis. But we think that Congress might also tap into America's "insurance system of last resort" in paying for professional therapy in needed cases -- that is, the string of crime victim compensation programs now in place in 48 states plus the District of Columbia.

These programs are already subsidized by the Federal Victims of Crime Act (VOCA), and some may already be prepared to compensate for counseling of the victims of the Iraq/Kuwait crisis. We suggest, however, that VOCA be amended explicitly to cover disaster victims so designated by the President, even when there is no criminality involved in the crisis, or there the issue is ambiguous, as in the present case.

In mobilizing these backup resources, we strongly suggest that the first line of service be local victim advocates, not mental health professionals. The reason is that most people who experience crisis only need help in "normalizing" the intense emotions they have, and one need not turn to mental health professionals to get the needed crisis intervention and supportive counseling. Their role should be one of backup in the more severe cases, where post-trauma therapy is required.

For this very reason, our fifth suggestion is that the agency be housed in the Justice Department, perhaps as part of its Office for Victims of Crime. OVC is the sole federal agency whose constituency is the 7,000 victim service programs nationwide. While its mandate is now confined to helping just crime victims, that is not true of the local programs -- they have helped out in the wake of plane crashes, earthquakes, and the present crisis -- no questions asked. The fact that both OVC and its constituents are also comfortable in playing an advocacy role in behalf of victimized clients is also a merit, we believe.

We appreciate that others -- like FEMA, HHS, and State -- have a strong interest in the work of this proposed agency, and that should be accommodated in setting it up. While we still think Justice might be its best home, in the end, the important question is how to set it up, not where.

In summary, we applaud the imagination of State and all its collaborators in improvising a good, perhaps model, system of care for victims of the Persian Gulf crisis. Our hope is that the lessons of this experience can be used to create something more permanent and effective.

Thank you for permitting me to offer these comments.



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Coping with the Iraq/Kuwait Crisis: A Handbook . . .

- **for families and friends of Americans detained in Iraq and Kuwait,**
- **for American families whose relatives have been returned from Iraq or Kuwait,**
- **and for their helpers.**

By:

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National Organization for Victim Assistance

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Introduction

This Handbook was prepared at the request of the Iraq/Kuwait Task Force of the United States Department of State, for use by the thousands of American citizens they are trying to help. Its authors are the executive staff of the National Organization for Victim Assistance (NOVA).

The Handbook is a NOVA publication. Its views are those of the authors, and do not necessarily reflect those of the State Department. In it, we have tried to express some lessons we have learned from our own experience and from the experience of many others.

1. About NOVA

Founded in 1975 as a nonprofit, public-interest organization, NOVA is the oldest of a growing number of groups in countries around the world which seek to improve the way their societies treat crime victims. Like the others, we provide services, including a regular newsletter, to our members; we give training and other educational services to our colleagues in the victim assistance professions; and we work with government agencies to improve the rights and services given to victims.

But in two important ways, NOVA is unusual.

First, our mission extends beyond crime victimization to other kinds of traumatic events — like terrorism, plane and train crashes, and natural disasters — which cause similar kinds of suffering.

And second, NOVA offers direct services to victims, who contact us by the thousands every year. Most are individual victims of crime in the U.S., and for most of these, we are able to link them up with a victim services program near where they live. But we have also worked with whole groups of people victimized by a single event.

We began that outreach in 1980, when 57 Americans were taken hostage in Iran, and later worked with families affected by the hostage-taking in Lebanon, and then with some of the families whose loved ones were killed on Pam Am 103 over Lockerbie, Scotland.

2. Three Audiences of This Handbook

As this is being written, in early September, 1990, we understand that no American has been killed in countries around the Persian Gulf (though two servicemen have died accidentally, and one civilian has died of a heart attack). But the situation for all the foreign nationals in that region, including thousands of Americans, remains very threatening. Our prayer is that all will be returned home safely, and soon.

This Handbook is for those who must endure that awful wait, and for those who have the joys — often mixed with some confusion — of

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having been brought back together, and for those who want to help them, both before and after.

Thus, we have written a single Handbook for three audiences. Obviously, we hope that the people who are dealing with the strains of waiting today may be dealing with the much happier stresses of being reunited with their loved ones soon, perhaps very soon. And we have added some suggestions for them to pass on to their helpers — friends, clergy members, and victim counselors.

That is in keeping with our practice of sharing with victims the same ideas we give to counselors. For there are no secrets, no hidden tricks, in the work that victim assistance professionals do. In fact, some of our better ideas on how to be helpful have come from victims themselves — like Dottie and Dick Morefield and Penne and Bruce Laingen, all victims of the Iranian hostage-taking, and Eric and Paul Jacobsen, and their father David, after his release from captivity in Lebanon, and Peggy Say, who still awaits the release of her brother, Terry Anderson.

3. Using The Handbook

The Handbook was put together in a hurry. We thought it was better to get it out than to make it complete or error-free. We thank those who gave it a quick review for their comments. Its flaws, however, are ours.

In one respect, we know the Handbook may be troublesome for some readers, and these are troubles we have not figured out a way to avoid. This is in our use of such terms as "victim," "hostage," and "counselor," and in using examples of people who were long-time political hostages in the Mid-East.

"Victim" may be an accurate label for the million-plus foreign nationals seemingly trapped in Iraq and Kuwait. Or it may apply only to males of certain designated countries who may not leave, according to the Iraqi government. Or it may best fit those males who have been taken against their will to strategic locations in Iraq.

We cannot resolve to everyone's satisfaction who should be called the "victims" here. We know that many people hurt by the criminal acts of others dislike the term "victim" — it suggests a kind of helplessness that they resent. We share their feelings about "victim" as a negative label, but confess that we have never found a better word. So that is the term we use here, and we have applied it to everyone affected by the crisis, including every American behind the borders of Iraq and Kuwait, and everyone else who is worried about them.

The same problem applies to the term "hostage," when we know that the immediate danger seems to be greater to some Americans in the area than to others. Again, we acknowledge the problem even

though, to write our Handbook quickly. we have used a single word to cover everyone.

"Counselor" can be a very misleading word in this situation. As the Handbook seeks to explain, the physical and emotional problems that affect people in these situations are what normally happens to most normal people — and they have nothing to do with mental illness.

That is one reason why many "counselors" who work with crime victims call themselves "victim advocates," to make it clear that they are not mental health therapists. But most of these advocates do have some understanding about the normal emotional stresses that victims have to cope with, and it is often helpful to talk with one. As a result, NOVA will be happy to help anyone having a difficult time during the current crisis get in touch with a victim "counselor" or "advocate" if we can locate one in his or her community.

Last on this list, we acknowledge that we have passed on lessons from friends who spent many long months, even years, locked up, blindfolded, and maltreated. Like all the people affected by the current crisis, we hope that none of these hardships comes to the Americans now in Iraq and Kuwait. Still, we thought it was probably more useful to take our lessons from the hard cases — to help people try to prepare for the worst, even as they hope for the best.

The worst thing about every hostage situation is the uncertainty — over how long it will last and over the degree of danger that the hostages face. It is always hard to cope with those uncertainties. We hope we have learned some useful lessons on coping, and we hope to learn more from those who are having to do that coping now. We therefore invite you to write us with your ideas and comments.

Finally, to help you gather your thoughts — even if you want to keep them to yourself — we have typeset this Handbook with wide margins, for note-taking. The margins also contain quotations, some identified by author while others are phrases or stories we remember from people who have had similar experiences. We hope they help you learn that you are not alone in learning how to cope in a terrible situation.

We are sorry, very sorry, that you have been put into that situation.

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Once, during her 444-day wait for Bruce to come home, Penne Laingen was getting ready for a meeting, and discovered that the hairspray she had just used was in fact a can of furniture polish. She tells that embarrassing story with laughter, to show the signs of everyday stress that come to people in her situation.

I. Waiting

When loved ones are taken hostage, it is a crisis for both the hostages and the family and friends who await their return. While some of the waiting people's reactions are similar to the crises that follow any sudden, unexpected trauma, many reactions are unique to the hostage situation.

In the outline that follows, we describe the reactions that victims of every kind of crisis go through. A few victims experience practically none of these reactions, and a few experience practically all of them. Treat it as a simplified, incomplete checklist of the "normal reactions to an abnormal situation." Wherever appropriate, we have described the reactions in terms of the hostage family's experience.

1. Shock, disbelief, and denial.

The physical and emotional shock that many people go through may last a few minutes or many days. It is often a time when the mind puts up an instant barrier to some very threatening information — a device called "denial" that seems to be built into all of us, to cushion hard blows. All the reactions described here seem to affect "direct" victims and their loved ones alike, to one degree or another.

Physical reactions to the initial news that a loved one is taken hostage or harmed are often striking. All of the following have an emotional effect, but all describe how the *body* reacts to the terrible, unwanted news. They may include:

- Physical weakness.
- An inability to move.
- Tightness in the chest.
- Difficulty in breathing or hyperventilation.
- Rapid heartbeat.
- Loss of sense of time and space, or other forms of disorientation.
- Nausea and the loss of appetite.
- Pain.
- Heightened perception in one of the senses — like sight or smell — often with the other senses almost "shutting down."
- Inability to get to sleep, or stay asleep, or get a restful sleep.
- Nightmares.
- Crying.
- Coldness and numbness.

"I still can't believe it happened."

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"I was stunned."

"I'm a walking zombie."

"I feel like I am going crazy."

Emotional reactions run side-by-side with the physical reactions. These may include:

- Inability to concentrate or think clearly.
- A sense of being in a "time warp" — things may seem to go very rapidly or to move in slow motion.
- A feeling of unreality.
- A sense of isolation or abandonment.
- Inability to comprehend what is said or written.
- A sense of powerlessness and helplessness.
- A sense that the world is in chaos.
- A need to search for reassurance that everything will be okay.

2. Turmoil

After the news has been absorbed, many hostage family members experience strong reactions, the most obvious ones being fear over their loved one's safety, and anger that he or she has been put in danger. The "turmoil" that follows is typically the result of experiencing some of the most intense feelings of one's life, strong emotions which tend to surface in waves at unwanted times, "bumping into" each other, making it hard to function. That's emotional turmoil.

But the turmoil is not just emotional — again, there are **physical signs of the body's distress** during the time of waiting. These may include:

- Increased alertness and sensitivity to sound and sight, and being startled easily.
- Physical arousal, including restlessness, nervous movements, a need to be active.
- Inability to concentrate.
- Sleep disturbances — insomnia or wakefulness in the middle of the night, fitful sleep, nightmares.
- Panic attacks.
- Irritability, a demand to be "left alone," or an inability to listen to the problems of others.
- Bouts of exhaustion.
- Indigestion.
- Headaches.
- Intermittent crying.
- Uncontrollable laughter.

The emotional parallels to the signs of physical turmoil include:

- Strong anger, even feelings of rage, that can be directed almost anywhere. Predictable targets include Saddam Hussein, the Iraqi people, people who are thought to be able to rescue the hostages — such as the State Department, the military, or the Administration — anyone who doesn't seem to care, individuals who favor actions that may put the hostages in jeopardy, and so on.
- Victims often get angry at themselves — and here "victims" definitely includes people who feel protectively toward one or more hostages. Some of these victims are very imaginative in figuring out how they failed their loved ones in captivity.
- Anger, too, is often directed at the hostages themselves for choosing to live in, visit, or work in the Persian Gulf. Any parent who has ever gotten mad at a child who was just rescued from danger recognizes these feelings.
- Fear — sometimes turning into terror — may focus on: what is happening to the hostages; what *will* happen to the hostages; the conditions in which the hostages are living; the kinds of fears the hostages are facing; and the kind of physical deprivations or worse they may be going through.
- Confusion over lack of information or conflicting information about what is happening; disbelief about the information received.
- Frustration over one's sense of helplessness, including an inability to get information on what is happening.
- Self-blame about things said or done to loved ones before they were taken hostage.
- Sense of isolation and abandonment.
- A sense of loss, and sorrow, and grief — along with the discovery that one can grieve even when no one has died, over such "intangibles" as trust in a fair world.
- Anxiety about the possible death of the hostages.
- Imagined bartering with God, or others, or with oneself, promising changes in behavior or other offerings in return for the return of the hostages.
- Alternating despair and hope — the "emotional roller coaster" that so many hostage families talk about.
- Often, in time, a kind of worn-out feeling that prevents the victim from feeling much joy or enthusiasm, or suffering much despair.

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"I may have erred politically. I may have erred strategically. I've never erred morally. This was the thing — there was no choice."
— Perry Say

"In many ways, it was worse for my family. I was in a bad situation, but at least I knew what that situation was. They could only imagine what it was like, and generally, I've since found out, their imagination was worse than my reality."
— David Jacobsen

"I need to know . . ."

"I should have . . ." — [also known as "the could've/should've syndrome"]

"I can't stop thinking about . . ."

"Two old family expressions helped me deal with the emotional roller-coaster: 'Wait to worry,' and 'Never fear the worst,' because it just raises your anxiety for no good purpose."
— Eric Jacobsen

3. Special Crisis Issues In Hostage Situations

As the expression goes, "forewarned is forearmed." We review a number of situations that can make matters worse for hostage families if they don't make plans on how they will cope with them. Some of them may seem obvious to those who are leading "normal" lives. But nothing seems quite so obvious when we are struggling just to make it one day at a time.

No time for goodbyes

For most affected people, the news of the invasion of Kuwait came as a sudden announcement that their loved ones in Iraq or Kuwait were in imminent danger. The eventual description of the Americans behind those borders as "hostages" may not have actually increased the dangers they faced, but it certainly made the dangers stark and real. For most of the hostages and those who await them, there is a special burden in the fact that they were plunged into these dangers with no time to say goodbye or to say once more, I love you.

The remoteness of the hostage crisis

When people we love are in crisis, we want to be with them. The farther apart they are, the more isolated and powerless loved ones feel. Iraq and Kuwait are thousands of miles away, now surrounded by closed borders and military forces. They are populated by people whose language, culture, and religion are far different from most Americans'. All of those factors add to the sense of the remoteness of the crisis.

Problems in relationships

Sometimes there are problems in relationships even with people whom we love very much. Children sometimes feel estranged from parents, or spouses from each other, because of differences in opinions, attitudes, or values. Those unresolved problems can get magnified when one of these people is taken hostage. There is another relationship problem that causes pain in these situations: almost all of us are attached to someone outside our immediate family who are very special to us — a friend, boyfriend, girlfriend, aunt, uncle, step-parent, co-worker, neighbor, even an ex-spouse. But the people who have these kinds of ties to the hostages may feel shut out during the crisis, with no one to recognize their hurts, much less offer them comfort.

When we speak of "the hostage family," or "relatives" of the hostages in this Handbook, we mean the extended circle of people who love that person in danger. And once the hostages are back, they will probably be grateful to their "official" families if *all* their loved ones were made to feel part of the family circle at this time.

Problems in "the last time I saw him or her . . ."

Sometimes people leave each other without saying everything they

wanted to, or saying something they later regret. When that happens before a hostage situation, the memory often preys on the waiting loved one.

Cultural tensions

Some American citizens in Kuwait and Iraq are married to Kuwaitis, Iraqis, or other ethnic Arabs. Others are their children. Other U.S. citizens in those countries are ethnic Arabs whose families are here in the U.S. For every Arab-American family caught in this crisis, there is the background problem of how most Americans feel about most Arabs — and Moslems — which can be summed up in a single word: prejudiced.

A great many Americans have a simplistic view of the Arab and Moslem worlds, so that they cannot make the same distinctions among, say, Iranis, Egyptians, and Iraqis as they do among Norwegians, Scots, and Greeks. On the pessimistic side, that means that some hostage families may in time be resented for their ties to the Arab world, and some of these family members may share that resentment. On a brighter side, the crisis may teach average Americans that, despite strong bonds among Arabs and Moslems, there are many differences between them, just as there are among Europeans and peoples of the so-called Christian world.

Media coverage

Sensational media coverage often adds to the turmoil and anxiety that waiting loved ones face. While daily news coverage may be encouraging in that it highlights public attention to the crisis — making sure that their loved ones are not forgotten — the same coverage can be exhausting, or unnecessarily frightening, or may violate the family members' privacy.

"That's been the hardest part. Our private life and private grief has been front-page news."

— Peggy Say

Political divisions

Some examples from American history tell us that even if the crisis in the Persian Gulf lasts for a long time, or turns into a shooting war, most of the American public will continue to give strong support for their government's management of the crisis. Other examples from history say that either a stalemate or shooting will produce passionate divisions among us.

The point here is not to "favor" patriotic support of the government's actions or to "favor" our traditions of dissent. It is to say, first, that *if* a national debate comes, there will be hostage families on every side of the debate. And second, there is a danger that participants in such a debate will feel that their opponents are trying to "dehumanize" them and their loved ones in the Persian Gulf.

In that situation, the media might help to escalate a bitter debate among hostage families, and that seems unfair. We hope that to recognize this danger openly will reduce the chance that it will occur.

*Notes and quotes***Holidays and special events**

It is always difficult to be separated from those you love when holidays and special events occur. As this is written, a new school year has just started, often an emotional time for kids and parents alike. There are many other events in our private lives and on our national calendars that often feel like pleasant breaks from the routine. But these can become especially painful when someone important is kept away from our traditional reunions of family and friends.

The private celebrations include birthdays of the hostage and all his or her loved ones, or a marriage, graduation, or birth. The nation holidays, like July Fourth, can be hard with someone missing, and so can the "semi-secular" holidays like Thanksgiving and Christmas, and each of our religious holidays.

Knowing that it will be hard to get through a holiday with a loved one away and in danger will not make the problem go away. But by looking at the problem in advance, many families can plan their own way to cope — often with a special way to remember their missing loved one.

4. Common Needs

Experience tells us that there are a number of things that hostage families need. Many items on the lists below describe needs that will not be fulfilled, certainly not to every family member's satisfaction. But by describing them "out loud," it is possible that everyone involved will see them as understandable, and legitimate, and may help to answer as many of them as they can.

A general need for —

- As much accurate information about the situation as is possible as soon as possible, and a need to know what information is truly unavailable or unknown.
- A plan of action — from how to cope with daily life to how to bring the hostages safely home.
- Assurance that others are concerned about the return of the hostages.
- Assurance that the hostages won't be forgotten.
- Assurance that the hostages won't be used as political tools or sacrificed for abstract political objectives.
- Assurance that the families are not alone in their distress.
- Assistance in daily tasks — at home and at work.
- Someone to listen to the family members' anger, fear, confusion, frustration, grief, and other strong feelings — and not give their opinions on whether their feelings are right or wrong.

- Someone to talk to at any time, day or night, by phone or in person.
- Commemorations — through services, tributes, special events, prayers, visual symbols.

A need for going on with life:

You will live through doing things the "first time" since your loved one became a hostage —

- The first time you get a good night's sleep.
- The first time you go alone to a place that you "always" go to with your loved one.
- The first time you laugh.
- The first time you do something you've never done before — and now do because your loved one is a hostage.

The waiting process

The lowest point may come three months, or six months, or nine months after the waiting begins — if the crisis lasts that long. For those whose wait ends much sooner, they too will remember that they went through some very bad days. The same will be true for the hostages, although their ups and downs may be linked as much to the conditions they are facing at any given time as to the passage of time itself.

Waiting isn't the same all the time — it's not a plateau, it's a roller coaster. Sometimes it's a news reports that send the spirits up or down. Sometimes it's something personal, like feeling worn out in trying to comfort a frightened child.

For many, a realistic goal is doing okay, not necessarily doing well, and that means: attending to daily tasks; sleeping well and doing some physical exercise; sustaining physical and mental energy; maintaining hope

5. Thoughts on coping

- Everyone's anxieties are unique: don't set unrealistic expectations for yourself or make "unfair" demands on others.
- Express feelings through writing, talking, physical activity, whatever is most comfortable. Cry, laugh, rage . . .
- Get a notebook in which you write a letter to your loved one, with as many new additions of family news, feelings, and ideas as it takes.
- Many families which have survived a hostage experience kept a "news" scrapbook so that their loved ones were able to catch up with events in their neighborhoods, cities, and country once they came home.

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- It is depressing for the ordinary person to feel powerless about getting their loved one home (just as it's often depressing for presidents and kings to be unable to free their citizens). Look for things to do — like hobbies or household projects — where you are in charge, and can see them through from beginning to end. This little reminder that you can control some things in your life is not a cure for the sadness. But it can often take the edge off.
- Put off important decisions for as long as possible. But when a decision can wait no longer, take a deep breath and tell yourself I'll do this the best I can.
- Get a physical exam to monitor how your body is holding up.
- Try to stay physically active.
- Care for your living things: plants, pets, children, family and friends.
- After you've written all your personal rules for coping, and don a fair job at following them, don't get upset if, one day, they seem meaningless to you. It may simply mean that you need a break from the hard work of coping. Give yourself permission to take that "holiday." And if, when you "come back" to find your old coping list still doesn't work, perhaps it's just time to write a new one.
- Finally, understand that the waiting is hard work — and nothing you can do can get rid of the strain it puts on your body and spirit. But the strain can be reduced if you make, and follow, and revise, as needed, your own coping strategy.

II. The Reunion

For waiting families, the focus of so many prayers is The Reunion, and thus the title of this chapter.

But the term can be misleading. The reunion or reuniting of most families subjected to hostage-taking or other traumas is not a single event but a long series of events over quite a long time. We do not mean to throw cold water on the joy of the initial few hours or days back together. For most, it is like a honeymoon — enjoy it.

But as with a marriage, there is work to be done after the honeymoon. That is what this chapter is about.

It begins with an essay of one ex-hostage on his post-release thoughts and experiences. It was written just before the Iraqi invasion of Kuwait by David Jacobsen, a hospital administrator who was held hostage in West Beirut for 17 months in 1985-1986.

Others could write a far more cheerful essay, especially those whose captivity was shorter or who rarely if ever saw the possibility of their own violent death — and so far, happily, that describes most Americans now trapped in Iraq and Kuwait.

Sadly, other former hostages could write a more gloomy report than Mr. Jacobsen's. The merit we find in his sober article is that it is a story of effective survival even in some of the worst of circumstances. We appreciate his letting us use it, which we have edited for length, and for his contributions to the second part of this chapter.

That part is simply a list of suggestions for repatriated hostages on rebuilding their lives and relationships. And part three are similar suggestions for their loved ones.

1. "Freedom Regained"

After being a long-term, involuntary guest of the Lebanese Hezbollah, I found that returning to freedom was both a blessing and a curse — a blessing in that I had freedom to make the simplest to the most complex decisions, and a curse because of all the emotional baggage I carried out of captivity.

Denial of all of your rights for months on end is a true test of your ability to survive as a decent human being. It is a challenge to your faith, your sense of justice, your personal values. My fellow hostages and I were denied the right to make any decision, large or small: to look out a window, to open the refrigerator door, to make a telephone call, to go to the bathroom.

Coming back from those deprivations, I found that being free was like having my own big jar of jelly beans: at first I got to pick and choose my favorites, but eventually I got down to the licorice.

"My dream was that I was going to be set free and just go home to Joliet and knock on the back door and say, 'I'm home now.' I was a little bit upset that my dream was not being realized."

— Fr. Lawrence Martin
Jenco

A man regains his freedom on the small details of life, in the ability to walk about or to choose what and when to eat.

— Attributed to Robert
Pohill

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Many released hostages come back very idealistic, with a greatly reduced tolerance for the adolescent frailties of mankind. This is the licorice that stuck in my throat: lack of urgency in the bureaucracy, the pettiness of partisan politics, and television's creation of a twenty-second mentality.

Other ex-hostages have their examples of "licorice" — not all share my intense interest in Mid-East policy, for example, or share my views on the subject. But in one way or another, most of us have developed a new sense of frustration over the way Americans squander their freedoms.

The emotional baggage I brought back from Lebanon was heavy. My fellow hostages and I were nothing more than dehumanized objects imprisoned in total isolation for some stranger's political purposes. It was grim, with death our ever-present companion. All of us, I believe, were afraid not only of dying but of dying alone — with the final indignity of having our broken bodies decay like garbage in an unmarked trash dump.

Those memories do not go away. But for our group of ex-hostages, there are other memories that are as bad or worse — of our brothers Terry, Tom, Joe, and the rest — who are still there, still in chains, still in jeopardy.

And even if all of us were now free, all of us would still be paying for our time in captivity, because we all know that, over time, a filthy dungeon, poor nutrition, lack of exercise, simple illnesses, psychological torment, and physical brutality quickens the inevitable event of death.

Former hostages have their frustrations, and bad memories, and dark knowledge, and many of us also have to wrestle with conflict. These are some of the opposing forces that still tear at me: a need for personal privacy versus my passion to engage in political action; a desire to see the public better informed about the crises in the Middle East versus my fear of endangering the hostages who are still there; my needs versus my family's needs; and a big one for most of us — forgiveness versus hatred.

As a hostage, I found it easy to accept in my heart the gentle prayer of St. Francis. But as a free man, I find these words difficult to live by: "Make me an instrument of your peace. Where there is hatred, let me sow love; where there is injury, pardon; where there is discord, union; where there is doubt, faith; where there is despair, hope; where there is darkness, light; where there is madness, joy."

The hope and serenity of St. Francis are more distant from me now than they were when I was in prison. Yet I still value them — and thus the conflict.

"... publicity is double-edged. If it is the force that distorts the Says' lives, it is also Peggy Say's best weapon. It is a conflict she seems not to have resolved."

— *New York Times* article

I have painted a troubled picture of the life of a former hostage. While the specific troubles I have drawn are mine, they are not mine alone. From everything I have learned from others who have come back home to America, a few of us may be the wiser for the experience but none of us is happier. Perhaps others whose captivity was blessedly shorter than ours have escaped without permanent injury — we did not.

That is an essential truth of our homecoming, but it is not the whole truth. If I am fairly representative of the hostages who have been released from the make-shift cells of Lebanon, or of former American hostages held anywhere in life-threatening situations, then let me proclaim the obvious: it is better to live injured in freedom than to try to endure and tend to those wounds in prison.

But regaining my freedom is much more than the absence of torture. My candy jar is replenished almost daily, and I still get to enjoy some favorite blessings: of time spent with my children and my five young grandsons and little granddaughter; of calls to friends in government who share my perspectives, give me a respectful hearing, and let me think I'm helping; of working again to make a hospital a better instrument of healing and care; of sharing laughter and play and foolishness with loved ones.

One of my sons has teased me by saying I am a better person for my ordeal. Before, whenever we would talk of world affairs, he claims that I would interrupt whenever I heard him say something wrong. Now, he says, I often pause for seconds at a time before I correct him.

Yes, we former captives bring home anger, frustration, and bitterness. But many of us are given something back: a sense of perspective, perhaps, and an occasional encounter with the peace of St. Francis. For the lucky, these too are part of being home, safe, again.

2. Suggestions for Former Hostages upon Reunion with their Loved Ones

1. Listen to your loved ones discuss how they survived. Take turns and take your time in comparing notes and letting off steam. It is urgent that your family get "equal time" to express their reactions and feelings — they were hostages too. Aim to get everyone to know the others' story. They will all be very different.

2. If you have long stretches of time to do your talking, that's good. But get everyone to agree to take a "holiday" one day a week from being hostages.

3. In addition to reviewing the past and its effects on the present, you have a future to plan for — maybe a resumption of your old ways,

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maybe a new life, probably a mix of the two. Again, bring your loved ones in on the search.

4. If you come home jobless, seek employment as fast as you can — like immediately. If the media has made you a celebrity, don't let pride keep you from letting the world know that you need a job now.

5. Start an exercise program immediately. Try to make it a fun activity with family and friends. Make it a break from hostage talk.

6. Establish a daily routine as soon as possible. An achievable goal for each day, with a plan of action to accomplish it, can help you shift some of your attention from yesterday to today.

7. Relish the small pleasures in life. If you love a certain kind of ice cream, for example, try eating it very, very slowly. Make a list of your private pleasures, and "discipline" yourself to indulge in them (in moderation, of course). Each is a connection to life and to hope.

8. If you are drawn to speak out on hostage situations, do so. But be selective in the choice of your audience, and always try to mix humor with your anger. Let your audience know of the ironies, injustices, injuries that you suffered as a hostage and afterwards. (One former hostage in Beirut loves to recall that the State Department "ordered" him out of Lebanon during his fifth month of captivity!) The public is intolerant of mistreatment of hostages and their families, but often is not aware of the unnecessary slights and problems they and their loved ones face back home.

9. Trust your loved ones. They have a lot of healing to do, too, and in the process, you may go in different directions for a time. They also may have trouble understanding what you went through. Teach them to be patient with you, and practice that advice with them — after all, you may become a "new person" as a result of your experience, and so might any of them. Above all, remember, they do care!

10. "Celebrity" ex-hostages may find people approaching you about making money out of your experience. Treat such offers with caution, and begin by talking them over with your family. For many, book deals, television shows, and movie deals based exclusively on their hostage experience are seen as keeping them in a two-dimensional role that they are trying to shed.

11. To some people — like reporters — once you are a hostage, you're always a hostage, and they will dog you for a new quote, a new insight, whenever a new hostage crisis comes up or there are developments in an ongoing situation. Remember the obvious: you are allowed to say no — I'm not a hostage anymore, or not this week — whenever you choose.

12. For former hostages who have left fellow Americans behind in

"I still have the experience of meeting people who are unknown to me, who have been in very serious prayer for myself and others. It's a very serious bond that I had not been aware existed."

— Rev. Benjamin Weir

At the time of his release, "I felt kind of out of place. I was a stranger at that moment; at least I felt I was a stranger."

— Rev. Benjamin Weir

"Basically you want to be left alone with your loved ones. It's tiring to have the phone ring constantly . . ."

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captivity, accept two probabilities: first, there is little you can do to free your compatriots, and second, you will still want to do just that. So don't stop trying. Accept and act on the fact that you are still a hostage as long as they are, if that is how you feel.

13. When the time comes — and for some it comes sooner than for others — go to work at not living in the past but in planning for the future. One day you will wake up to find that carrying the weight of your past ordeal is not going to be your primary activity for the day ahead. The ordeal will always be with you, but it will find its place in a broader perspective. And you can work on putting it there.

14. If you want to talk, give NOVA a call at 202/232-6682. We will find you someone with a good ear.

"When I was captured, everything in a short space of time was taken away . . . and at that moment, I felt very vulnerable.

"And in the return, I felt vulnerable as well."

— Rev. Benjamin Weir

3. Suggestions for Loved Ones Upon Reunion with Former Hostages

1. Encourage your loved ones to talk about their experience. Be prepared to take time to listen and not to hurry them.

2. Give former hostages opportunities for privacy. But make sure they know you are there if they need you. Former hostages often have feelings of isolation that conflict with a need to reconnect with the world.

3. Depression is common among former hostages, for it is a normal grief response after the initial euphoria at being set free has worn off. Don't fall into the trap of thinking the ex-hostage should feel lucky. Think of it this way: yesterday you felt lucky to escape with your life when two men mugged you in a dark alley; today, you have a right to think that it wasn't a lucky experience but a horrible and depressing one. Use the same outlook with your loved one. Be supportive, sympathetic and patient.

4. Physical activity is an antidote to depression, so encourage your loved one to take up exercise of any kind.

5. Constant news reports and updates on current hostage situations may trigger emotional reactions in former hostages. Be prepared for outbursts of anger, sudden tears, a re-experiencing of crisis.

6. Help former hostages replace practical items that have been taken or lost when they were in captivity. Be cautious in suggesting things to substitute for sentimental items that are now gone.

7. Discuss tributes, events, memorials that you and your loved one might participate in to remember past events or continuing crises.

8. Remind former hostages of your love and your care for them. Remind them of your need for them.

9. Be cautious of people who want to use their ties to your family

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as a method of gaining status in your community. Most people are well-intentioned but some may want to use your situation to satisfy some private ambition or need.

10. Pay particular care to children who have been hostage or who are the children of hostages. They often get lost in the shuffle. They, too, will have feelings of abandonment, terror, confusion, and grief. They need to talk about their feelings and to know that you love them very much. And if the former hostages' children are all adults, do not be surprised if they need the same kind of nurturing for a while: the traumas we endure as adults often strike the "little kid" within us.

11. Give yourself special time with your loved one — time when you can simply experience togetherness. Remember that both of you may have changed during the crisis, and its time to get to know each other again.

12. Listen to experts and expert opinion. Listen to the advice of others. But more important, listen to your loved ones and their needs, and do your best to respond.

13. Most of all, give yourself and your loved ones time. Reconstructing a life after severe trauma takes time. The amount of time varies from person to person, but for most, it takes longer than they expected, and for all, it's hard, time-consuming work.

14. If you want to talk, give NOVA a call at 202/232-6682. We will find you someone with a good ear.

III. Suggestions for helpers

Who are the helpers? For many family members, the people they will first seek out are their clergymen and -women — whose training and experience in pastoral counseling may never have prepared them for this situation.

Some family members will seek out one or more relatives or friends to play this role. Sometimes, it is not a close friend the family members turn to but a person they instinctively think is a gentle and caring listener.

Some will seek out professional counselors and therapists — for themselves or for their children or other loved ones who are having a hard time.

NOVA is also offering to try to link up family members with a victim advocate in their community if one can be found — they only need to call us at 202/232-6682 to try to make that referral. Let us explain why we believe many of the trained staff and volunteers of America's 6,000 victim assistance programs may prove to be helpful.

First, hostage-taking is, after all, a crime, and many kinds of hostage-taking of Americans overseas are violations of our Federal criminal laws. Whether or not the detentions in Kuwait and Iraq are violations of those Federal laws, we know that many victim advocates are prepared to treat them as crimes, and will offer family members the same free services that they give to others in their communities.

And second, these are professionals who deal daily with the stress and crises of people who have been violated.

Some victim advocates, like other "natural" and professional helpers family members seek out, will feel comfortable in that counseling role. But a great many will have doubts about how to be most helpful. Even victim advocates, with all their experience, usually have little experience in helping people who are stuck right in the middle of their crisis.

We hope that some of the following suggestions will help family members and their helpers construct a private, confidential relationship that eases the pain of waiting. Our suggestions are directed to the helpers:

- Try to let the people you're working with talk when they want to.
- Accept all feelings and reactions. All are valid, and normal, and natural, and that includes their most intense feelings. If the family member's rage, or hatred, or terror makes you uncomfortable, remember that these are feelings and fantasies, not

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deeds. Remember too that the family members have a right to say what's in their hearts — they did not choose to put those harsh feelings there. And if forgiveness is part of your own value system or theology, our gentle suggestion is to save your sermons for sometime after the crisis is over.

- Don't betray confidentiality.
- Make periodic visits to those waiting for loved ones — but call first. The unexpected sound of a doorbell can be upsetting.
- You don't have to force conversation — "How are you doing," is often enough. Be prepared to listen at any time and provide opportunities for talk. Be prepared for quiet visits when there is little conversation. Don't be afraid of the silences.
- Ask if you can get information for loved ones on problems they are facing.
- Help with practical issues such as mowing the lawn, bringing some food, offering to help with children on a specific date, transportation, etc. But offer to do *specific* things — don't just say, "Call me if you want help with anything."
- Don't insist on doing things when a person says no.
- Send supportive notes, or relevant cartoons (humor is a favorite way to ease the strain for many family members), or other things that say, "I thought of you when I came across this."
- Discuss important dates, events, or traditions and how they might be handled.
- Create special tributes at difficult times.
- Be prepared to hear about big, practical problems — like the possibility that the family has just lost its complete source of income, or that, in staying in touch with family and friends around the country, they have run up huge telephone bills. You may be in no position to help — but maybe you can become an imaginative finder of someone who is.
- Offer to be a sounding board as the family member tries to plan his or her coping strategy. Help them think through what worked well in past crises, and what is working in this one. Help think up new options. But again, don't force yourself: if a person is down, and not wanting to think or plan, respect those feelings. Remember that depression is itself a coping method, and serves us well, at least in moderate doses.
- Some family members may want to press their views about how to resolve the crisis on the government and the media. We who are victim advocates are familiar with that kind of activism — in

"Dr. Charles Figley gave me some good advice, though it was after Dick was released. He said, talk to the 'experts,' listen to them, think about what they have to say. But in the end, listen to your heart, and do what you think is best for your family."

— Dorothea Morefield

fact, one reason we call ourselves "advocates" is that we believe that crime victims have a right to have their views considered by decision-makers and have their legitimate needs answered by public and nonprofit agencies. But we believe that the advocate's role should be more limited in trying to help a whole group of victims with differing opinions they want to express. As we see it, our job is not to endorse any one viewpoint, which would have the effect of closing our doors to family members who disagreed with that position. Instead, we believe that the views of all family members deserve to be considered, and so we work to keep open all the relevant channels of communication. Other helpers may want to adopt a similar approach to advocacy during the current hostage crisis.

- Many family members will become news addicts, for obvious reasons. Some will want to find other "experts" on the crisis, and you can help them find them — in magazines and books, but in other places too. There is, for many, "expertise" in music, and poetry, and sacred texts. The passages that follow are just two of many words of wisdom that victims have brought to us. The first are the lyrics of a song of hope, written by Eric and Paul Jacobsen while their father was still held captive in Beirut. The second is a theologian's reflections on grief over the absence of a loved one. Clearly, the "absence" he meant was because the loved one had died — but it may also prescribe or describe a way of coping for some hostage families.

"When the Word Comes"

Never let go, deep in your soul
 Hold onto a single prayer.
 God only knows freedom's so close
 The innocent can be spared,
 And the constant fears of the days that have turned to years
 Will suddenly disappear

When the word comes,
 Their freedom won,
 They'll already be bound home safe and sound.
 When the word comes
 And we'll be done
 Waiting and praying for the day when the word finally comes.

Spotlights, long nights, headlines and false signs
 Strike again like lightning.
 Old news and no news, the same lines and the slow times,
 Are always frightening.
 But the worries and the fears of the days that have turned to years
 Will finally disappear

APPENDIX 8

**INTERRELIGIOUS STATEMENT:
TEN POINTS ON THE IRAQ-KUWAIT CRISIS AND U.S. POLICY**

We, the undersigned representatives of religious organizations, gathered in the spirit of interfaith cooperation and especially concerned to promote U.S. policies for peace and justice, raise up for your attention 10 points on the Gulf crisis:

1. THE UNACCEPTABILITY OF IRAQI AGGRESSION:**A. Iraq's Invasion:**

We do not accept military aggression by one nation against another. Therefore, we condemn the Iraqi military invasion and occupation of Kuwait. We urge Iraq to comply with UN Security Council Resolution 660 which calls for the immediate withdrawal of all Iraqi military forces and the restoration of an independent Kuwait.

B. Kuwait's Independence:

We affirm the independence of Kuwait. The year, century, or event creating a nation-state has no bearing on its legitimate right to exist, once it has been accepted by the community of nations at the UN. Therefore, we reject the violation by Iraq of the integrity of the sovereignty of another member state of the United Nations. We oppose Iraq's declaration making Kuwait a part of Iraq and its attempt to close all embassies in Kuwait. We support UN Security Council Resolution 664 which demands that Iraq respect these diplomatic offices.

2. CALL FOR RELEASE OF HOSTAGES:

We oppose the holding of hostages by any party under any circumstance, and, therefore, we call upon Iraq to respect Article 51 of Protocol I to the Geneva Convention (1949) by immediately releasing all foreign nationals. Iraq calls these foreign nationals, "guests," but hostage taking by any other name is just as unacceptable. Therefore, we support UN Security Council Resolution 664 demanding the release of all foreign nationals held by Iraq in Kuwait and Iraq.

3. FOOD SHOULD NOT BE USED AS A WEAPON; CIVILIANS SHOULD NOT BE TARGETED:

Article 54 of Protocol I to the Geneva Convention prohibits the withholding of food from civilian populations. We urge the United States and the United Nations to uphold this important principle of international conduct. The use of food and medicines in the United Nations' sanctions against Iraq and occupied Kuwait targets civilian populations for leverage and retribution. Notwithstanding the ambiguous UN Resolution phrasing which provides for

"humanitarian" food and medicine, inclusion of food and medicines in the sanctions is both inhumane and illegal according to the Geneva Convention. This tactic cannot be employed in a cause dedicated to upholding peace through respect for international law and the norms of humanity.

4. DANGERS OF OFFENSIVE MILITARY ACTION BY THE UNITED STATES:

A. Unacceptable Cost of War:

U.S. military action in the Gulf would not be likely to achieve any of the five policy objectives set by President Bush. In fact, offensive military action would most probably kill more Americans than are now hostages; would destroy Kuwait in order to save it; would likely turn the oil fields into oil burners for months to come; would spread the conflict horizontally across the entire region, including Israel; and the post Cold War promise of a new world order would go up in smoke. Almost certainly, more civilians would be killed than combatants.

B. UN Alternative to War, Not a Way to War:

The U.S. should work through the UN as an alternative to war. The U.S. should not attempt to use a UN umbrella or flag to justify military action. The policy of using UN non-military means to contain Iraq and to assure that Iraq will not profit by its military aggression has drawbacks, but it shows more and better promise than war.

C. Threat of Force:

The levels of multinational forces in the Arabian Peninsula and the Gulf exceed levels of force necessary to defend Saudi Arabia and enforce the UN blockade. While estimates vary, the troops and weapons deployed in the region certainly exceed what is required as a defensive force. Higher troop levels and deployment of offensive weapons systems convey the intention to take offensive military action. The threat of attack against Iraq implied by this buildup of U.S. and multinational forces has been used in an attempt to push Iraq out of Kuwait. It has had the opposite effect, steeling Iraqi determination. Assurances to the Iraqis of defensive intentions will help to de-militarize and de-escalate the conflict and will open possibilities for negotiations.

D. U.S. Not World Police:

The United States should not presume or accept the role of police in this conflict. We advocate placing all forces under the command and control of the UN. These forces should not be used for offensive military action. Consistent with UN peacekeeping practice, we believe that no nation's military forces should dominate; so, U.S. military units should comprise less than half of the multinational force.

E. Arms Transfers Destabilize:

We urge the United States to take initiatives for multilateral agreements to reduce or eliminate arms transfers to the Middle East in an effort to curb the upward spiral of violent conflict. While we recognize legitimate security needs of countries in the Middle East, nonetheless these needs

must be balanced against the tendency of additional arms transfers to destabilize the region and reduce the prospects for security. Furthermore, every dollar, pound, ruble, franc, mark, and cruzado turned to arms transfers is a theft of resources for basic human needs of the poor.

5. URGE INTENSIVE DIPLOMATIC EFFORTS AND NEGOTIATING PROCESSES:

A. United Nations:

U.S. support for the United Nations' non-military actions is essential. However, this policy is not sufficient for a peaceful resolution of the conflict. It must be paired with intensive diplomatic efforts to achieve a negotiated outcome. The President should not rule out negotiations.

B. Congressional Support for Negotiated Settlement:

Congress should respond to the urgent situation by immediately commencing a series of hearings on the Gulf conflict. Congress must seriously explore the shape and details for the continuation and improvement of the non-military, international, UN coordinated response to Iraqi aggression. A preeminent objective should be to discover ways for the United States to promote an intensive and peaceful negotiating process.

C. U.S. Support for Other Parties to Negotiate:

The United States is not and should not become a negotiating party but should pursue its interests through its role as a Permanent Member of the United Nations Security Council. To seek direct U.S. participation in negotiations would inflate the proportions of the conflict, enhance the standing of Saddam Hussein, and introduce rigidity of postures of the different parties to the conflict. As Israel is a U.S. ally, a high U.S. profile in this conflict also increases the risks to Israel. The parties to this conflict are Iraq and Kuwait. Iraq, Kuwait, the United Nations, and organizations indigenous to the region and mutually acceptable to these parties—drawing on the good offices of other nations as appropriate and needed—must negotiate an outcome acceptable to the international community, as represented by the United Nations Security Council.

D. Resolve Other Middle East Conflicts:

We are aware of and sensitive to the importance of resolving other conflicts in the Middle East, such as Lebanon's civil war and the Israeli-Palestinian conflict. The Gulf crisis should not delay or deter urgent action to engage peace processes on these conflicts. Therefore, the United States should pursue vigorous and sustained talks with all parties associated with these conflicts, and, through other UN processes agreeable to the parties involved, support mutually acceptable negotiated settlements. It is painfully and tragically clear today that these conflicts should not and cannot be solved through militarily imposed conditions.

E. No Prior Conditions by Iraq:

We cannot accept Iraq's attempt to condition its future compliance with the UN demand to withdraw from Kuwait on the settlement of other outstanding conflicts in the region. The

resolution of those conflicts cannot be made a necessary and prior condition for the resolution of the Iraq-Kuwait crisis.

6. SUPPORT UN AND OTHER MULTILATERAL EFFORTS FOR EVACUEES AND REFUGEES:

A. International Efforts for Evacuees:

We have been deeply concerned for the hundreds of thousands of foreign workers and other foreign nationals who have fled Iraq and Kuwait. We have especially monitored the drastic situation of South and East Asian evacuees who fled into Jordan. Many of our religious and humanitarian service organizations have joined with an international consortium to relieve the situation. These efforts have worked well and more than 700,000 persons have now been returned to their homelands.

B. New War Refugees:

We are deeply concerned that an outbreak of war in the Gulf region would create new masses of refugees, wounded civilians, the spread of disease and increased malnutrition and hunger. At these times, the war makers always turn to the religious community and humanitarian organizations to respond with shelter, food, sanitation, clothing, medical care, foster homes and transportation. Our congregations know from first hand experience the true cost and consequences of war. It should, can, and must be avoided.

7. SET PEACEFUL PRECEDENTS FOR POST COLD WAR WORLD ORDER:

A. U.S. Multilateral Efforts:

We commend those U.S. initiatives which helped to mobilize the international community through the United Nations. We welcomed that rapid response in opposition to the Iraqi invasion, demanding Iraq's immediate withdrawal from Kuwait and imposing international, comprehensive, mandatory economic sanctions against Iraq and occupied Kuwait, until Iraq complies. Excepting food and medicine, we support UN Security Council Resolution 661, which invoked those sanctions.

B. Equitable Sharing of World Resources:

It is most likely that future wars and civil strife will follow conflicts over access to and distribution of world resources. The current conflict is a clear signal that the questions of distributive justice regarding control of world resources—such as oil—must receive serious and careful attention by policy makers. The current world systems controlling and exploiting resources create conditions for war. The world needs systems which promote development models characterized by participatory democracy, equity and sustainability.

C. These Times Demand New Thinking:

The post Cold War world is beginning. It should start with strong and persistent international initiatives to answer military aggression with non-military sanctions to isolate aggressor

nations and to ensure that no nation will profit from military aggression. We need new thinking, not adjustments of the old Cold War policies and institutions. The new world order, following the ending of the Cold War, will have to restructure current resource and economic systems to respect principles of economic equity and social justice. If promises of peace are to be realized.

8. LIBERATE OURSELVES FROM OIL BASED ECONOMIES AND MEET REAL SECURITY NEEDS:

A. Basic Moral Challenge:

The crisis in the Gulf raises a major moral issue for all nations. As one U.S. religious leader said: the Iraqi invasion of Kuwait is not a bugle call to arms but rather a warning alarm that U.S. energy policy must be dramatically changed. In this instance the United States must consider whether it will go to war to ensure that it has primary access to world resources, such as oil. The community of nations must resolve questions about control of world resources and fairness in their distribution.

B. Environmentally Safe, Alternative Energy Sources:

The United States should, as a matter of national security, increase its investments in energy efficiency and the production of non-nuclear, environmentally safe, alternative and renewable energy sources. This will require improved energy conservation standards and strategies, and significant investment in the conversion of our industrial, transportation, office and residential infrastructures. The investment will create jobs, improve economic competitiveness, and strengthen human security.

Energy efficiency strategies are key to both the short term and long term success of an alternative energy policy. The United States and most other nations rely heavily on oil for their transportation sectors. For the near future, energy conservation and the development of safe alternative vehicular fuels will be needed if the international community is not to be held captive by conflicts in the major oil producing states of the Middle East.

A sound, international comprehensive alternative-energy and energy-conservation policy would permanently free the world from this bondage. This current international military crisis in the Gulf, which threatens the lives and welfare of so many people, could probably have been averted had these policies been instituted in the nearly 20 years since the first oil crisis which was a premonition of the current situation. Furthermore, such energy policies would help to create conditions for Third and Second World development, for the alleviation of poverty, and for protection of the biosphere.

C. U.S. Military Budget:

The annual \$160 billion in U.S. military spending to deter a Soviet attack on Western Europe should now be rapidly transferred to reducing the federal deficit, to human needs programs and to the rebuilding of the failing U.S. economic infrastructure. So far, the yearned-for peace dividend has been sacrificed to the gods of greed and war, but the Gulf crisis should not be used to ignore these U.S. domestic crises nor used as an excuse for bad budget policy. The real threats facing the people of the United States and most of the world are hunger, lack of shelter,

unemployment, violations of basic human rights, and the deteriorating environment. The Iraq-Kuwait conflict does not change the fact that any threat from the Cold War is over and the U.S. military budget should be cut accordingly.

9. CALL FOR THE ELIMINATION OF WEAPONS OF MASS DESTRUCTION:

A. Nuclear, Chemical and Biological:

The threat of the use of weapons of mass destruction is present in this conflict. As we work to demand that our own government remove nuclear, chemical and biological weapons from its arsenals, we believe that the security of all people will be improved through international conventions to eliminate these horrible weapons of mass destruction.

B. U.S. Initiatives for Weapons Bans:

We call on the United States to actively seek and support a Nuclear Weapons Comprehensive Test Ban, as well as Chemical and Biological Weapons Bans, strengthen and renew the Nuclear Weapons Non-Proliferation Treaty, and achieve other such binding international agreements to outlaw, decommission and destroy these weapons and the facilities that produce them.

10. ENEMY IMAGES AND STEREOTYPING MUST END:

Saddam Hussein has done deplorable things, and Iraq's military aggression against Kuwait is unacceptable. However, his actions and those of Iraq are not unique in the world. Other national leaders and other nation states have acted in similarly unacceptable ways and have gone unpunished. We can recognize and challenge those whom we oppose without demonizing them.

Unfortunately, enemy-images of Saddam Hussein are being employed to summon a national mandate for U.S. military intervention and military spending. The enemy-image of Saddam and Iraq has dangerous and unacceptable fallout here at home. Ill-founded hatred has caused Arab-Americans to suffer a range of consequences from simple prejudice to death threats and harassment. This anti-Arab furor fuels American chauvinism and feeds racism on all levels. It also increases anti-Islamic bigotry and casts a shadow on one of the world's largest religions.

Our interfaith community's ten points on the Gulf crisis emerge from our commitment to four principal values: peace, economic equity, social justice and environmental balance. We believe any U.S. policy on the Gulf crisis should endeavor to uphold each of these values. These 10 points identify our common concerns and places where we can put to work our energies and resources for the purpose of creating real security with peace and justice.

———— Signed ————

Robert W. Tiller
Director, Office of Governmental Relations
AMERICAN BAPTIST CHURCHES USA

Herbert Blinder
Director, Washington Ethical Action Office
AMERICAN ETHICAL UNION

James H. Matlack
Director, Washington Office
AMERICAN FRIENDS SERVICE COMMITTEE

Garnett Day
Department of Church in Society
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Melva B. Jimerson
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Mary Anderson Cooper
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Robert Z. Alpern
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UNITARIAN UNIVERSALIST ASSOCIATION

APPENDIX 9

STATEMENT SUBMITTED BY THE NATIONAL COUNCIL
OF THE CHURCHES OF CHRIST IN THE U.S.A.Theological and Moral Imperative

I, therefore, the prisoner in the Lord, beg you to lead a life worthy of the calling to which you have been called, with all humility and gentleness, with patience, bearing with one another in love, making every effort to maintain the unity of the Spirit in the bonds of peace. (Eph. 4: 1-3)

Throughout the history of the church, the question of the admissibility of war as a means of resolving disputes has been a source of differences, and at times division, in the body of Christ. Among our own communions, there is a wide diversity of approaches to this question. For all Christians, however, war is a sign of the sinful human condition, of human alienation from God, of alienation between human beings who are all children of God.

We stand at a unique moment in human history, when all around us seemingly impregnable walls are being broken down and deep historical enmities are being healed. And yet, ironically, at such a moment, our own nation seems to be poised at the brink of war in the Middle East. "What then are we to say about these things?" (Romans 8:31)

The quest for peace and the quest for Christian unity, which is the very reason for our existence as a Council, are intimately related. As churches seeking to recover our unity, we are called to be the salt and leaven of our societies. Together with other faith communities, we are called to address moral and spiritual dimensions in the debate on a national policy that seems to be careening toward war. Believing that Christ is our peace, we cannot do other than to strive to be the incarnation of creation's cry for peace.

Unanswered Questions

Two months ago, on September 14, 1990, the Executive Coordinating Committee of the National Council of the Churches of Christ in the U.S.A. addressed a message to its member communions on the Gulf crisis. That message condemned Iraq's invasion and occupation of Kuwait, raised serious questions about the decision of the U.S. government to send troops to the Gulf region and about the growing magnitude of U.S. presence, noting that the extent of the

commitment of U.S. forces and weaponry was the largest since the Vietnam War. Since then, the U.S. has more than doubled the number of troops sent to the region to a number approaching a half million persons.

The message also questioned the apparent open-ended nature of U.S. military involvement in the Middle East and the failure on the part of the administration clearly to state its goals. President Bush and administration officials have done little to clarify either of these points. Indeed the rationales offered for the steady expansion of U.S. presence have often been misleading and sometimes even contradictory. Early statements that U.S. forces had been deployed for the defense of Saudi Arabia or the enforcement of U.N. sanctions have been supplanted by suggestions of broader goals, including expulsion of Iraqi forces from Kuwait by military means, or even offensive action against Iraq itself. The nation still has not been told in clear and certain terms what would be required for the withdrawal of U.S. troops.

The Prospect of War

The initial response of the NCCC/USA was carefully measured, recognizing the magnitude of the injustice inflicted by Iraq against Kuwait, and the unprecedented reliance by the U.S. on the mechanisms of the U.N. In contrast, the U.S. administration increasingly prepares for war, a war that could lead to the loss of tens of thousands of lives and the devastation of the region. Such talk has given rise to widespread speculation in our country, in the Middle East and elsewhere that the United States will initiate war.

In the face of such reckless rhetoric and imprudent behavior, as representatives of churches in the United States we feel that we have a moral responsibility publicly and unequivocally to oppose actions that could have such dire consequences.

The Wider Implications

Our earlier message also pointed out that the active U.S. effort to implement United Nations Security Council resolutions relating to the occupation of Kuwait by Iraq stands in marked contrast to U.S. negligence regarding the implementation of Security Council resolutions 242 and 338. These call for the withdrawal of Israeli troops from the territories occupied in the 1967 War and the convening of an international conference to resolve the Israeli-Palestinian issue. There has also been negligence regarding the implementation of Security Council resolutions 359, 360 and 361 which call for the withdrawal "without delay" of Turkish troops from Cyprus and solving the problems of the island through negotiations.

During the intervening weeks the situation in the Israeli-Occupied

Territories has, in fact, worsened. The U.S. government's condemnation of the massacre on the Haram al-Sharif/Temple Mount and its endorsement of a U.N. mission to the Occupied Territories was a welcome departure from past policies. The failure of the U.S. government to take any substantive measures to oppose the Israeli occupation, however, weakens the effect of its appropriate outrage over Iraqi aggression against Kuwait. The region cries out for a U.S. policy that seeks to redress all cases of injustice, including those of Israel and Palestine, Lebanon and Cyprus.

The Dangers of Militarization

The presence of U.S. troops in the Middle East has led to an expansion of the military capacity of an already grossly over-militarized region. The proposed billions of dollars of arms sales to Saudi Arabia, the forgiveness of military debts to Egypt and Israel and the supplying of both with new and more sophisticated weaponry, combined with a seeming lack of initiative to resolve the region's unsettled disputes, can only be seen as morally irresponsible.

The Price of War

The price of war and the preparation for further conflict is already being paid in human terms. Hundreds of thousands of foreign workers and their families have been compelled to leave Kuwait and Iraq, creating enormous strains on the Kingdom of Jordan and the Republic of Egypt and, ultimately on the societies to which they are returning.

The cost of the current U.S. military presence in the Gulf is estimated at \$1 billion per month. This "extra-budgetary expenditure" is once again likely to reduce further the nation's capacity to address human needs in our own society. Thus, among the early victims of this tragic engagement will certainly be the growing number of the poor, homeless, sick and elderly. The corrosive effects on our own nation will be felt especially by racial/ethnic communities who make up a disproportionate number both of the poor and those who are on the front lines of military confrontation.

We are appalled by the past and present behavior of the regime in Iraq, one which has previously enjoyed U.S. support. But the demonization of the Iraqi people and their leader has led to an increased incidence of defamation of or discrimination against persons of Arab descent or appearance.

A New World Order

We stand on the threshold of a "new world order." Indeed, the near unanimous condemnation by the nations of the world of Iraq's illegal occupation of its neighbor, Kuwait, shows the promise of a

new approach to the vocation of peacemaking for which the United Nations was created 45 years ago. There are present in this moment seeds either of a new era of international cooperation under the rule of international law or of rule based upon superior power, which holds the prospect of continuing dehumanizing chaos.

Our churches have long sought to nurture and bring to fruition the seeds of hope. The power we would invoke is not the power of the gun, nor is it the power of wealth and affluence; we would invoke the power of the cross and the resurrection, symbols for us of love and hope. As Christians in the U.S. we must witness against weak resignation to the illogical pursuit of militarism and war. We must witness to our belief in the capacity of human beings and human societies to seek and achieve reconciliation.

The General Board of the NCCC/USA commends this message to the churches, all Christians, and persons of other faiths, inviting them to join with us in continuing prayer and urgent action to avert war in the Persian/Arabian Gulf region, and to join in the quest for a just and durable peace in the Middle East.

Resolution on the Gulf and Middle East Crisis

The General Board of the National Council of Churches, meeting in Portland, Oregon, November 14-16, 1990, recognizing its solidarity with the Christians of the Middle East and with the Middle East Council of Churches,

Urges the government of Iraq to release immediately all those citizens of other nations being held against their will in Kuwait or Iraq and to withdraw immediately its troops and occupation forces from Kuwait.

Calls for the continued rigorous application of the sanctions against Iraq authorized by the United Nations Security Council until such time as it withdraws its forces from Kuwait.

Reiterates its opposition to the withholding of food and medicine as a weapon against civilian populations.

Encourages the Secretary-General of the United Nations to exercise fully his own good offices in pursuit of a rapid negotiated resolution of the present conflict in the Gulf.

Calls upon the President and U.S. Congress to pursue every means for a negotiated political solution to the crisis in the Gulf, including direct negotiations with Iraq.

Reiterates support for the convening under U.N. auspices of an international conference for a comprehensive peace in the Middle East, as a means of implementing United Nations Security Council resolutions on Israel and Palestine, Lebanon and Cyprus, recognizing that the present crisis cannot be isolated from the unresolved issues of the region as a whole.

Calls for an immediate halt to the buildup and the withdrawal of U.S. troops from the Gulf region except those which might be required and explicitly recommended by the Security Council of the United Nations in accordance with the relevant provisions of the United Nations Charter.

Calls upon the U.S. government to give leadership to the institution of an immediate and complete embargo under U.N. auspices on arms transfers to the Middle East.

Calls upon member communions, congregations, local and regional ecumenical agencies and individuals to make peace in the Middle East a paramount and urgent priority for prayer, study and action.

Expresses its profound gratitude for the witness of the Middle East Council of Churches and commits itself to continued partnership with the MECC in its efforts for peace, justice and development.

Requests the President and General Secretary to engage in dialogue and to coordinate where possible and appropriate with the National Conference of Catholic Bishops and Evangelical Organizations with regard to the development of statements or actions in an effort to provide a common Christian witness.

Requests the President and General Secretary to communicate this resolution to the President and Secretary of State, to the members of Congress, to the President of Iraq, to the Secretary General of the United Nations, the World Council of Churches, and to the Middle East Council of Churches.

APPENDIX 10

WASHINGTON POST ARTICLE ENTITLED:
SEVEN STEPS TO CONTAIN IRAQ
(SUBMITTED BY THE HON. RICHARD MURPHY, SENIOR FELLOW,
COUNCIL ON FOREIGN RELATIONS)

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Richard Murphy, Senior Fellow for the Middle East at the Council on Foreign Relations, was Assistant Secretary of State for Near Eastern and South Asian Affairs from 1983-1989.
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*Seven Steps to Contain Iraq*¹

Although the call up of 200,000 additional military personnel has convinced Americans that Washington is seriously preparing for war if Iraqi forces do not withdraw peacefully from Kuwait, it is unclear that Saddam Hussein shares the same perception or is able to interpret our political debates. The Iraqi leader continues to maintain his public stance that Kuwaiti independence and sovereignty came to an end with Baghdad's invasion. Complicating the current Iraqi-American "dialogue" is the fact that President Saddam has rarely travelled and is ill-versed in interpreting the world outside Iraq. His formidable personality cult and the rigid suppression he has imposed on domestic debate during his many years in power have isolated him from the counsel even of senior government figures.

We know Saddam is no stranger to changing direction after an error. He badly miscalculated the strength and resiliency of the Iranian revolution in 1980 when he invaded that country, and three years later called for a ceasefire. Confronted by a formidable UN coalition rather than a pro forma slap on the wrist after he invaded Kuwait in August, Saddam was quick to minimize antagonisms on his eastern flank by agreeing that Iran should have sovereignty up to the median line of the Shatt al Arab. Sudden reversals like these, however, Saddam could justify as in the Iraqi national interest. Washington is unlikely to get Saddam to blink in the current crisis until he is first convinced that we are seriously ready to use force and second, that withdrawal will better serve the interests of his regime than will staying put and fighting.

The "war now or war later" argument used by those who urge we strike militarily at Iraq because there is no other way to eliminate the Iraqi threat only hardens positions on either side of the line and is likely to drive Saddam further into the trenches. Instead, if Saddam does decide to withdraw peacefully, why not implement a package of guarantees to contain Iraq's military machine? The following six point program might accomplish the coalition's goals without the major casualties and collateral damage that will necessarily accompany any military action:

1 - This article appeared in the Washington Post on November 29, 1990.

First, a world wide arms embargo on Iraq. In particular, firm French, Chinese and Soviet commitments, as Iraq's traditional suppliers, to refrain from all arms sales to Iraq for a period of at least five years after Iraqi withdrawal. The time frame could be longer if arms control experts were so to recommend. In five years, Iraq's present inventory lacking any replenishment should be seriously degraded.

Second, maintain an oil embargo on Iraq to give the coalition leverage to force a "build down" and effective international inspection of Iraq's arsenal. This will admittedly be a difficult proposition for the coalition to agree on, though as long as oil supply continues to meet demand the costs of the embargo to the world community should be bearable. Coalition members fearful about the prospect of a hot war in the Gulf should realize that some such extraordinary measure will be required to forestall conflict. We should anticipate while pressing to continue the embargo that the Arab states, long concerned about Israeli intentions, will in turn urge comparable pressures on Israel.

Third, the development of a new regional security structure, featuring Gulf Cooperation Council (GCC) forces at its core, and including Egypt and those Arab states which have already taken a stand against the Iraqi invasion. This force would be stationed in Saudi Arabia under Saudi command. In Kuwait, a UN peacekeeping force could serve as a tripwire to discourage adventurism.

Fourth, recognizing the near impossibility of securing the support of the American public or the Saudi government for a continued American deployment on the current scale, the US should secure Saudi approval of a major repositioning of US equipment in Saudi Arabia. This would shorten American reaction time in the event of a future attack by Iraq. A small ground and/or air presence in Saudi Arabia, Bahrain and the United Arab Emirates should also be continued, in company with Arab units from those countries which have contributed forces to the present deployment.

Finally, two major regional initiatives would greatly improve the overall political climate in the Middle East. First of these would be a revived Arab-Israeli peace process with broad participation, rather than the limited Israeli-Palestinian dialogue attempted through 1989 until the collapse of the Israeli Government coalition in March. Consider a framework such as the Conference for Security and Cooperation in Europe in which those nations met to adopt guidelines for several different "baskets" of issues. The agenda need not slavishly imitate that of the CSCE, but should feature the same flexibility of procedure which recognized that unresolved problems, although they may affect the same people and nations, are not all of equal complexity and therefore cannot be expected to be solved simultaneously. I am well aware of US and Israeli resistance to the concept of an international conference. But if we seriously want to foster a new world order, to allay lingering Soviet fears that our interest in the Middle East region is really aimed at establishment of a military outpost and above all, to give hope to the peoples

of the region that their many problems will all get attention then the time may have come to design a much broader diplomacy than we have yet attempted.

The other major initiative, perhaps to be subsumed in the first, is arms control. In a familiar and valid approach to crisis management, Washington has recently decided to provide major new arms packages to the Saudis and Israelis. Yet boosting arms sales to our Middle Eastern allies only prolongs one of the world's most dangerous arms races. Arms control talks admittedly will take years to eliminate weapons of mass destruction and reduce conventional arms inventories, despite the many lessons we have learned from the US-Soviet talks. Negotiations will have to draw in all states that possess weapons of mass destruction, in a region where the language and lore of arms control remain strikingly unfamiliar to all parties concerned. Israeli hesitance to enter such talks might be overcome the fact that arms control talks would supplement the severely constricted agenda of state to state talks in the region, one which would for a change not involve the questions of borders. Arms reductions need not mean that countries sacrifice their comparative advantages as they "build down". And the leadership of all countries in the region must recognize that any future Arab-Israeli conflict will be far costlier to the civilian populations than were those of '67 or '73.

As the Gulf crisis continues to reveal shifts in power alliances, it is not unrealistic to open the book on an international conference whose agenda might range from security issues including arms control to economic cooperation, human rights and preparing the parties generally for negotiations to end the prevailing state of belligerency in the area and the eventual establishing of a formal peace. Expanding the agenda of middle eastern negotiations at this crucial time might in fact serve to soften the intractability of positions so deeply rooted in the past.

APPENDIX 11

STATEMENT ON SADDAM HUSSEIN AND THE CRISIS IN THE GULF
(SUBMITTED BY LAURIE MYLROIE, RESEARCH FELLOW,
CENTER FOR MIDDLE EAST STUDIES, HARVARD UNIVERSITY)

VII

No Victory, No Peace

When Iraq agreed to the cease-fire with Iran on the eighth day of the eighth month of 1988, Baghdad erupted in joy. Unlike Tehran, where the mood was glum, millions of Baghdadis spilled into the streets, dancing and chanting, by night and by day. They set off fireworks, shot rifles in the air, sprayed water at passersby. Iraq's fortunes had reversed with stunning speed. Just four months before, Iraq seemed to be losing in a long-drawn-out war of attrition. But suddenly it was all over. One Iraqi described the feeling in Baghdad as one of "delirium mixed with sadness in memory of the losses that came suddenly to mind."

The celebrations went on for over fifteen days. The government, normally in tight control, could not stop them. It was, according to one Iraqi, the first time in the entire period of Baathist rule that such spontaneity on the part of ordinary people had existed. With the cease-fire, Iraqis looked forward to enjoying life after eight years of terrible war. Iraqis expected prosperity. Without much reflection on their country's economic situation—Iraq had incurred a debt of more than \$70 billion, half to other Arab states and half to the West—people believed that the war's end would somehow restore the prosperity that had existed before the war. So too did Gulf businessmen who briefly drove up the black-market value of the Iraqi currency, in anticipation of a post-

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war reconstruction boom. As an Iraqi explained in Baghdad one month after the cease-fire, "For now, people have stopped buying imported goods. We're waiting for the dinar to rise when the treaty is signed, and everything will be cheaper."

He meant the treaty with Iran. Even though Ayatollah Khomeini had declared that accepting the cease-fire "was more lethal for me than poison," Iraqis expected a quick signing of an accord. Such a treaty also meant the return of the 65,000 Iraqi POWs held in Iran. The POWs were the population's number one concern.

Many people also hoped for a loosening of the wartime restrictions, especially the lifting of the ban on foreign travel imposed seven years before. Not only was Baghdad terribly hot in the summer, travel provided a release from the tension of life in a police state, tension even the privileged elite felt. The war made the regime's repression less acceptable, and some Iraqis thought that the war's end might bring "more democracy." They said, "We gave our lives for Iraq. We showed our loyalty. Saddam should trust us more."

None of these expectations—peace, prosperity and democracy—which the population took as a natural consequence of the war's end, could be realized easily. Such expectations, however inchoate, nevertheless exerted some pressure on the regime. To be sure, the Iraqi government does not believe in making policy by public opinion. But no government can long afford to ignore its people. A sense of the public pulse is necessary to stay in power, and some minimal accommodation of it may be prudent.

The Iraqi government faced great problems after the war. Although the regime made much of its "victory" over Iran, the country had paid a terrible price (20,000 killed; 300,000 wounded; an astronomical foreign debt). It had got little from the war. Iraq had laid claim to the

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entire Shatt al-Arab, its riverine border with Iran, but Iraq did not actually possess it, and the waterway remained closed.

At the war's end, Iraq's army numbered a million. Almost all able-bodied men had served some time in the army, many for the war's entire duration. Soldiers do not return easily to civilian life. Men carry the habits they learned at the front back with them. Having faced death so often, they become less willing than before to obey the representatives of civilian authority. Fighting brutalizes, making men less afraid of violence or the threat of it, and more prone to take violent action themselves.

Tens of thousands of soldiers had deserted the army during the war. If caught, they risked being shot. They could not work legally, and they became an outlaw group, concentrated in the marshes of southern Iraq, much of which is inaccessible by land transport and therefore difficult to police. Many deserters turned to crime in order to survive, committing robberies and breaking into homes.

Beneath the surface calm of Baghdad, a turbulent current ran whose source was the long and exhausting war with Iran. Such wars, entailing mass military mobilization and general sacrifice, usually cause major social changes. Merely fighting such a war creates change, as society's resources are mobilized more intensively to meet the demands of the war effort. Women, for example, are brought out of the home and into the labor force. Moreover, as the population is asked to make ever more difficult sacrifices, people develop expectations of what is due them in return.

The regime was aware of all this. Senior Iraqi officials were far more sober than the general public in their expectations for Iraq after the cease-fire. They cautioned that although people were looking to an im-

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provement in Iraq's economic situation, the hard currency problem would remain. Officials explained that there would be problems in "rehabilitating men who spent eight years at the front, with all the killing." And already in August 1988, when the population was still giddy over the cease-fire, Foreign Minister Tariq Aziz told a visiting delegation of Arab professors that there would have to be political change in Iraq or there would be political turmoil.

Yet it took some time for the population to realize that its expectations were unrealistic. Disillusionment began to set in during the late autumn of 1988. *The Wall Street Journal* described the situation well: "Returning to the Iraqi capital three months after the Gulf war cease-fire is like arriving at a party just as the hangovers are setting in."

The peace itself was proving elusive. The Iranian foreign minister refused to talk to the Iraqi foreign minister. The U.N.-sponsored peace negotiations were stalemated. And the exchange of POWs was suspended.

It was apparent that the cease-fire had not brought prosperity. Instead, a two-track economy had developed. A small private sector, which had emerged during the war, became immensely rich. The public sector, which employed the bulk of the labor force, was poor. In 1988 the average public sector wage was 125 Iraqi dinars a month. A university professor made 400 dinars. But the owner of a small vegetable store made 1,000, a bar girl in Basra 1,500, and even a taxi driver earned more money than a professor. Public-sector employees had not had a raise in the eight years since the war began, while inflation ran over 40 percent annually.

The dinar's official exchange rate—three dollars—was more than six times its value on the black market, more aptly called the free market, because the government had made that market semi-legal to bring more

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hard currency and imports into the country. While goods made by Iraq's public-sector industries were not expensive, they were in short supply. Goods imported by the private sector were readily available, but sold at the dinar's free-market price, far beyond the purchasing power of public-sector workers. Thus, a roll of film cost 7 dinars or \$2; a man's shirt 30 dinars or \$90; a bottle of Jordanian shampoo 4 dinars or \$12. The Baath party rank and file worked in the public sector. They grumbled along with everyone else.

In late November, as the Iraq-Iran peace talks faltered, Saddam Hussein suddenly announced to a Baghdad conference of Arab lawyers that there would be a new program of democracy for Iraq, including freedom of speech, constitutional reform and "pluralism," permitting the formation of political parties besides the Baath. Three high-level committees were established to study the three issues. Each foreign embassy in Baghdad was asked for a copy of its country's constitution, and "democracy in Iraq" became a prominent theme of government propaganda.

It was in the context of the democracy campaign that Saddam complained about the media to Latif Nusayif Jassim, his minister of information, who headed the committee on press freedom. Saddam told Jassim that the press was "boring." Jassim passed along Saddam's complaint to the editors of the country's government-owned newspapers. In small, very limited ways, of note only relative to the previous absolute sterility of the Iraqi press, it became more open. All the newspapers introduced a page for readers' letters of complaint. A statement by Saddam Hussein appeared at the top of the page: "Write what you like without fear." Syrian newspapers had long carried such a page with a similar injunction at the top by Hafez al-Assad. Perhaps Saddam was looking to his rival in Damascus for ideas on

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how to curb some of the problems of governing a police state.

Letters poured in, almost all complaining of administrative problems and police abuse. For example, in the March 9, 1989, issue of *al-Jumhuriyah*, one man wrote a letter detailing how his car had been stolen, strongly implying that the local police had cooperated with the thieves. A widow with two children wrote a similar story in *al-Iraq* about the theft of furniture from her house, in which she too hinted that the thieves were in league with the police.

The complaint page quickly became the most popular page in the newspapers, more popular even than the sports page. But the letters never touched on political questions. However, one article in *al-Iraq* on March 7 by an Iraqi journalist, Sabah al-Lami, entitled "How the People Are Made Quiet about the Crimes of Public Corruption in the Name of Fear of Troubles," was astonishingly bold. Written in the allusive style made necessary by the constraints imposed by dictatorship, it began and ended with praise of Saddam. But Iraqis, accustomed to reading between the lines, were startled by Lami's daring. "My colleagues challenged me to write this article," wrote Lami. "They said you would lose your head and your freedom. I said if someone believes in God, he should not be frightened by someone whom Almighty God has created." Lami then proceeded to ask a series of allegorical questions about prominent personalities close to the regime, his meaning readily understood by educated Iraqis.

Did you hear of the *zarzour* [pesky bird] whose ancestors were *zarzours*, who, between night and day, became a falcon living in the palace of Kawar-nak [a rich man's or ruler's dwelling]? My colleagues answered, probably they were merchants.

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But I replied that a merchant is a clever man. I can't remember a "clod" becoming a millionaire merchant. Well, my colleagues, do you remember the football player with the pearl shoes, who became a millionaire with one kick. . . . Did you hear of an orchard owner who was a Mr. Nobody and now owns all the orchards of the country? . . . How about the man they tell me is a poet?"

Even Saddam could be seen as a *zazou*. The first query suggested a damning question—where did the regime and its elite come from, and by what right did it monopolize power and wealth? The second question referred to a soccer player, Adnan Dirga, made wealthy on a whim of Saddam's. The third referred to Khayralah Tulfah, Saddam's uncle and foster father. The fourth to Abd al-Razzaq Wahhab, a poet favored by Saddam, who had won first prize at Iraq's poetry festival the year before.

The public expression of complaint in the Iraqi press was matched by an equally unaccustomed private expression of complaint. Sensing the underlying discontent in the country, the regime encouraged people to let off steam, and they did. Kuwaitis who visited Iraq then were astounded to hear Iraqis so openly voice their frustrations. Saddam is in trouble, perhaps the regime will fall, some Kuwaitis thought. Egyptians had a different view, colored by their own historical experience. They believed that Iraq was going through the sorts of changes that had occurred in Egypt after the 1973 Arab-Israeli conflict. Between 1967 and 1973 Egypt was in a state of war. The seven years of wartime austerity created a pent-up consumer demand. Once the state of emergency passed with Egypt's qualified success in the October 1973 war, people were less willing to accept heavy-handed political control. In Egypt, a gradual eco-

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nomic and political liberalization followed the 1973 war. Perhaps Iraq was passing through the same stage for the same reasons after the end of its war.

The results of Iraq's National Assembly elections in April 1989 added to the Egyptians' sense that Saddam was following in Anwar el-Sadat's footsteps. The elections were held against the background of the regime's democracy campaign, and they proved more open than any previously held. Although the candidates were well screened for their loyalty to Saddam, a fairly honest process followed. Foreign observers, including British M.P.s, were invited to supervise the elections.

Party members won only 40 percent of the assembly seats, considerably fewer than the 75 percent they had won in the last elections in 1984. Some prominent Baathists lost, while some winners proved to be unorthodox figures. The sister of a well-known renegade Baathist, for example, won election in a Baghdad constituency with 90 percent of the vote against a high-ranking party member.

Iraq's National Assembly meets for two months, twice a year. It is not an important body. Yet the unusual election results eroded some of the skepticism with which Iraqis had greeted Saddam's announcement of political reform. Many people began to believe that the newly elected National Assembly would approve a new constitution before its spring session closed at the end of May. Then the assembly would dissolve itself to pave the way for new elections under a liberalized regime. Assembly members did not expect to remain in office through the term.

But nothing happened. No new constitution appeared, and no new elections were scheduled. Two weeks after the assembly session ended, the government announced a 25 dinar pay hike for public-sector employees, thus raising average public-sector wages 20

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percent. But the wage hike, the first in nine years, only amounted to half the annual inflation rate. It was of little significance. The regime seemed willing to address popular expectations for peace, prosperity and more democracy only in a desultory fashion. The result was motion without much movement. Saddam was either unable or unwilling to do more.

By July frustration had set in. One Iraqi explained the regime's dilemma: "You Westerners don't see the pressure. Everything looks under control. But you don't see beneath the surface. People are fed up. The regime worries that one day there will be an explosion." He then told of a riot the week before at the central bus station. Soldiers had been returning to their units after a major Muslim holiday. Something happened. Either there was not enough transportation, or drivers were exploiting the situation to charge exorbitant rates. There was a riot and a shoot-out by the hard-pressed soldiers, who faced severe punishment for returning late to their bases. "That," he explained, "is what the regime fears and why it looks for change. But it doesn't know how to do it, and the party is still debating. It is debating between democracy and stability. Some claim that for the past twenty years Iraq has had stability so it doesn't need democracy. Others say the opposite, stability requires more democracy."

Serious problems in Iraq continued to arise. On August 17, 1989, a mysterious explosion occurred at the Qasqa munitions factory, thirty miles south of Baghdad, one of Iraq's two main arms-manufacturing plants. The Western press reported 700 people killed. Iraq's Foreign Ministry claimed that the "high temperature of the day" had caused the accident, but the explosion's cause was never satisfactorily explained. Was it sabotage? By whom? How much did it rattle Saddam? Farzad Bazof, a British-based journalist who sought

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answers to those questions, was arrested and hanged six months later.

The slow-paced demobilization of the Iraqi army gathered momentum in late September when the government announced the decision to disband five army divisions. That decision reflected the regime's growing awareness of its overwhelming supremacy over Iran. That had not been entirely apparent at first. In the first few months after the cease-fire, senior officials expressed skepticism about Iranian intentions, while it was not until after Khomeini's death in June that the Iraqi population became more confident that the fighting with Iran was genuinely over.

Whether caused by the accelerated demobilization of the Iraqi army or merely coincident with it, tragedy soon followed for Egyptian laborers in Iraq. Some two million Egyptians had been working in the country, but suddenly Iraqis began murdering Egyptians, and the Iraqi government began returning an ever-increasing number of bodies to Cairo. In a three-week period in late October and early November more than 1,000 Egyptian bodies were flown back to Cairo. Although the Egyptian and Iraqi governments worked to contain the crisis, the Iraqi government's role was never entirely clear. No investigation was announced in Iraq and no one was ever brought to account for the murders.

Some 300,000 soldiers, one-third of the army, was demobilized in the eighteen months after the cease-fire. But there was no work for them. As a Western diplomat remarked in early 1989, Saddam needed the equivalent of a GI Bill. He had to jump-start his economy through massive foreign investment to create jobs for returning soldiers. But Iraq was so indebted, its repayment of debts so haphazard, that little investment came into the country. By the end of 1989 increasing numbers of idle

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young men could be seen hanging around Baghdad and other towns and villages across Iraq.

On January 5, 1990, the official Iraq News Agency reported that Saddam's automobile had had an accident while the president was escorting Jordan's King Hussein around Baghdad. The streets of the capital, however, are routinely cleared when the presidential motorcade moves, making a collision most unlikely. Far more credible is the claim of Iraqi dissidents that four officers tried to assassinate Saddam with machine guns and rocket-propelled grenades.

The annual army day parade was scheduled for the next day in the "Grand Festivities Square" beneath the Victory Arch. Large numbers of the public were invited. At the last minute, however, their invitations were canceled, and the Iraqi army marched under Saddam's oversize forearms before a restricted audience made up largely of foreign diplomats.

The problems that Saddam faced in the first eighteen months after the cease-fire were severe. Developments elsewhere were ominous. In October 1988 price riots erupted in Algeria. The Western press estimated that between 150 and 300 civilians, mostly teenagers, were killed as the Algerian army suppressed the riots. Five months later, in March 1989, price riots broke again, this time in neighboring Jordan. The leaders of both countries addressed the popular anger with promises of far-reaching political reform. In both Algeria and Jordan, elections were soon held, elections that were meaningful and open. They constituted a genuine exploration of what democratic reform among the Arab states might entail. Nothing similar took place in Iraq.

Moreover, the collapse of the Communist governments of Eastern Europe in the fall of 1989 did not go unnoticed in Baghdad. Between mid-October, when the government of Hungary fell, and the end of Decem-

No Victory, No Peace

ber, when Nicolae Ceausescu was overthrown and shot, three other Communist regimes collapsed. Around the world, astonishment and wonder greeted the fall of these seemingly well-entrenched regimes. Iraq, to be sure, was not Eastern Europe, but like the governments there, it was a repressive one-party state. Comparisons with Romania seemed particularly apt, because, like Saddam, Ceausescu had developed a stupendous cult of personality and police state run for his family's benefit.

There is evidence that the fall of the Eastern European governments worried Saddam. In an interview, he told ABC's Diane Sawyer three times, "I am not Ceausescu." He repeated it to the U.S. Ambassador April Glaspie on the eve of Iraq's invasion of Kuwait. *The Observer* reported that after the fall of the Romanian government, Saddam ordered Baath party officers to watch videotapes of Ceausescu's overthrow in order to analyze what went wrong with crowd control and how coordination among the security services broke down. Yet the strange exercise had unanticipated consequence. It demoralized Iraqi apparatchiks, who suddenly realized that overnight they too could become as vulnerable as Romania's Securitate.

In February a prominent Arab lawyer, who had heard Saddam first announce his program of democracy for Iraq in November 1988, asked the president what had happened to those promises. Saddam told him, "As you saw in Eastern Europe, democracy may not be the best thing. We have to be careful on how to proceed." Eastern Europe showed beyond doubt that any reform program could easily get out of hand and cause governments to fall. The lawyer left with the impression that Saddam did not intend to do anything more about democracy in Iraq.

Yet Ceausescu's fall, and the attempt on his life only a few days later, finally spurred Saddam to make the

SADDAM HUSSEIN AND THE CRISIS IN THE GULF

first genuine gesture to the popular expectations that arose after the cease-fire. On January 17 the wartime travel ban was lifted. At about the same time, Saddam made an ostentatious shopping trip through Baghdad as imported goods were released from government stores and poured into the local markets. Yet Iraq did not have the hard currency to pay for consumer imports or foreign travel. In fact, the economic situation had continued to deteriorate after the cease-fire. The debt rose another \$10 billion, while the dinar fell even further.

More than most leaders, Saddam needs money to stay in power. Money is necessary to keep his people quiescent, to placate any simmering restlessness. Money is necessary for the huge, wasteful prestige projects, including Saddam's exotic weapons program, that convey to his people the image of his unassailable might. For Saddam there is little room between restless motion and collapse. He is like a bicycle rider. Sitting on a very narrow base, Saddam either moves forward or he falls.

VIII

The Special Relationship

On the seventh floor of the State Department, inside the Command Center at the Pentagon, in the wood-paneled offices of the National Security Council, American policymakers had watched Saddam's agile balancing act for years. At first there was relief that he was taking on America's Great Satan, Iran. Unlike the Ayatollah Khomeini, Saddam, for all his ruthlessness, seemed to be a man with whom Washington could deal, and despite its distaste for the Iraqi leader, the U.S. government welcomed his survival. But appreciation turned to consternation as the bicyclist began to lose his grip. Thus one of the more peculiar relationships in American diplomacy was born.

The problem with the relationship eventually came to be known in Washington as the "mindset." The phenomenon was rooted in the mercurial forty-year history of U.S.-Iraqi relations, which have been marked by periods of hostility, thaw, cordiality, disappointment, support, and unrealistic expectations on both sides. A key turning point was Saddam Hussein's seduction of the United States and fellow Arab leaders that began in earnest in the early 1980s during the Iraq-Iran war when his military campaign was badly faltering. It was then that Washington initiated its famous "tilt" toward Baghdad, in an effort to stave off an Iraqi defeat, and in the hope that better relations might eventually have a

APPENDIX 12

LOS ANGELES TIMES ARTICLE ENTITLED:
STEAL IRAQ'S THUNDER ON 'LINKAGE'
 (SUBMITTED BY GRAHAM FULLER, SENIOR POLITICAL SCIENTIST,
 RAND CORPORATION AND FORMER CIA NATIONAL INTELLIGENCE
 OFFICER FOR NEAR EAST AND SOUTH ASIA)

PERSPECTIVES ON THE MIDDLE EAST

Steal Iraq's Thunder on 'Linkage'



The coalition arrayed against Saddam Hussein should grab the opportunity to settle the Palestinian issue.

By GRAHAM E. FULLER

Saddam Hussein's offer to release all of his hostages suggests that he wants to turn the Gulf crisis into a long bargaining game—even though he cannot hope to retain Kuwait. But the United States should refuse to be lured and should focus instead on another, far more important bargaining process that could turn the political tables on Baghdad entirely. In fact, we may all owe a significant debt to Hussein: Through his invasion and rape of Kuwait he may have created—quite inadvertently—the wherewithal for a comprehensive peace settlement between Israel and the Arab world.

The Palestinian problem and the Gulf crisis are linked not because Hussein says they are, but because no Western intervention in the Arab world can take place without being affected and distorted by the festering Palestinian problem. Hussein is cynically trying to exploit the issue, and he must not be allowed to do so. No deal on a Kuwait-for-Palestine swap. No U.N. conference merely to meet Hussein's needs. But we must not cede to him the propaganda initiative on regional problems, either.

The wherewithal for a comprehensive settlement may have been forged within the anti-Hussein alliance, and he should continue to be excluded. The most critical new element in the equation is Syria. President Hafez Assad, after decades of leading the "Hell, no" rejectionist camp against any settlement with

Israel, can no longer realistically do so. The Soviets have abandoned him and he has been upstaged by Hussein as the Arab world's leading radical. Assad's opportunity for a grand strategic shift has arrived, and he may know it. Syria could lead a peace coalition designed to settle the Arab-Israeli issue, deprive Hussein of his ambitions, gain back large parts of the Golan Heights in a comprehensive settlement and take credit for the boldest political turnaround since Anwar Sadat went to Jerusalem.

Assad must bring Yasser Arafat with him. Despite the bad blood between them, there is a deal to be made, and the Soviets can help persuade both sides. Arafat desperately needs to dig himself out of the blunder he made in courting Hussein when the door to a Palestinian state, as he well knows, lies only through Jerusalem and Washington.

A comprehensive peace means Israel must agree to a Palestinian state on the West Bank and Gaza. No settlement will work without it; no moderate Arab coalition will climb on board in its absence. Many in Israel do not want a Palestinian state, but a very sizeable group recognizes that this is ultimately the only way out of the *intifada* and the increasingly ugly atmosphere in Israel. Prime Minister Yitzhak Shamir and the Likud Party can hardly be expected to agree to a Palestinian state on its own merits. But surely the broader Israeli public and even Shamir will consider giving up the West Bank in return for a genuine, comprehensive peace that would include Egypt, Jordan, Lebanon, Syria, Saudi Arabia and the Palestinians.

Saudi Arabia must give this plan its full backing and be willing to make immediate peace with Israel. Does King Fahd wish to hang back, leave Egypt in

the lurch and let Hussein take over the Palestinian cause? The Saudis would have the support of nearly everyone who counts in the Arab world—except enemy Iraq. In addition, Jordan would have to break with Saddam Hussein in the interests of this historic breakthrough. With Palestinian needs met, Jordan would no longer need the Iraqi leader.

Egypt laid the groundwork with the Camp David accords and is the ultimate foundation-stone of a peace coalition, but Egypt should allow Syria to take the lead to further entice Assad. Arafat would have his state, but he would have to recognize the interest of the surrounding nations in the stability of the West Bank state. The total package would establish a comprehensive peace around the periphery of Israel.

Far-fetched? Not really. The anti-Hussein coalition would have turned the tables on Iraq in a stunning political move to reorder the Middle East. Every player would win in this combination—including the United States and Israel. Of course, there are complex, detailed procedural issues—that's what the professional diplomats get paid for. But the constellation of interests is in place.

This political breakthrough could take place even while the embargo, if extended, continued. Of course, Hussein would try to take credit for the move, but no deal. Let him stew in the juices of the embargo while everyone else settles the strategic equation in the Middle East without him.

It is Hussein's aggression that created this unprecedented regional coalition, and the window of opportunity may not last forever. Now is the time to explore this extraordinary opportunity for a plan that rewards the peacemakers and confounds the tyrant of Baghdad.

Graham E. Fuller is a senior political scientist at the RAND Corp.

APPENDIX 13
BIOGRAPHIES OF WITNESSES

Ambassador John H. Kelly was sworn in as Assistant Secretary of State for Near Eastern and South Asian Affairs on June 16, 1989. Ambassador Kelly had been the Principal Deputy Director of the Policy Planning Staff, Department of State, between October, 1988 and February, 1989. Ambassador Kelly was United States Ambassador to Lebanon, 1986-88.

Before going to Beirut Ambassador Kelly had been Principal Deputy Assistant Secretary of State for European and Canadian Affairs, 1983-85, and Senior Deputy Assistant Secretary for Public Affairs, 1982-83. Earlier he was Deputy Executive Secretary of the Department and Director of the Secretariat Staff.

Ambassador Kelly spent a year as a Diplomatic Associate at the Institute for the Study of Diplomacy, Georgetown University, in 1981-82, under a grant from the Una Chapman Cox Foundation. While at Georgetown Ambassador Kelly published articles on French defense and international terrorism.

Ambassador Kelly joined the Department of State in 1964. His overseas posts prior to Beirut were Paris, Adana and Ankara in Turkey, and Bangkok and Songkhla in Thailand. Ambassador Kelly conducted a fact-finding mission to the nations and territories of the South Pacific in 1985. At the State Department in Washington Ambassador Kelly served in the Office of the Counselor, the Politico-Military Bureau, and the Bureau of Intelligence and Research. He also served in the Pentagon in the Office of the Secretary of Defense.

Ambassador Kelly has received the Secretary of Defense Meritorious Civilian Service Medal and the State Department Meritorious Honor Award. He is a graduate of the Armed Forces Staff College.

Born in 1939, Ambassador Kelly was raised in Atlanta and was graduated in 1961 from Emory University with a degree in History. He speaks French and Thai. Ambassador Kelly is a member of the Council on Foreign Relations and the American Foreign Service Association. He has lectured widely in the U.S. and abroad and appeared on radio and television to discuss foreign policy issues.

Ambassador Kelly is married to Maritza Ajo, originally from Sirkka, Finland. He has a son, David Snowdon Kelly, who is a student at American University in Washington, and a daughter, Maria Louise Kelly.

**GEORGETOWN UNIVERSITY**

*Graduate School
National Security Studies Program*

SOHRAB C. SOBHANI

Education

Georgetown University, Ph.D., Political Science, 1988.

Publications

- The pragmatic Entente: Israel-Iranian Relations 1948-1988.
- Iran's Islamic Fundamentalism: A View From the Pulpit.
- Ending the Iran-Iraq War: U.N. Resolution 598.
- Reintegration in the Global Oil Markets.
- Democratic Pluralism in the Middle East: Constraints and Opportunities.
- Soviet Energy Security and its Nationalities.

Employment

Georgetown University, Professor, National Security Studies Program/Dept. of Government, 1989-present

HAROLD H. SAUNDERS

For 20 years, Hal Saunders worked continuously at the National Security Council (NSC) Staff in the White House (1961-1974) or the State Department (1974-1981) at the center of Washington policymaking toward the Middle East and Southwest Asia. Since leaving government in 1981, he has focused more broadly on the conduct of international relationships in our changing world. From 1981-1986, he was Resident Fellow at the American Enterprise Institute for Public Policy Research (AEI) and is now Visiting Fellow at The Brookings Institution in Washington, D.C.

In the State Department, he served last as Assistant Secretary for Near Eastern and South Asian Affairs (1978-1981). He had been Deputy Assistant Secretary (1974-1975) and Director of Intelligence and Research (1975-1978). He was a key member of the small U.S. team that mediated five Arab-Israeli agreements, 1974-1979, including the Kissinger shuttle agreements, the Camp David accords, and the Egyptian-Israeli peace treaty. He also helped negotiate the release of American hostages from Tehran in 1981. In 1980, he received the President's Award for Distinguished Federal Civilian Service--our government's highest award for civilian career officers--and in 1981 the State Department's Distinguished Honor Award.

His most important book is The Other Walls: The Politics of the Arab-Israeli Peace Process (AEI, 1985). It builds on earlier writing about negotiation and describes the Arab-Israeli peace process as negotiation embedded in a larger political process. His current project is a book extending that approach to the politics of international relationships globally. He was also co-author of American Hostages in Iran: The Conduct of a Crisis (Yale University Press, 1985). A longer term project is a study in presidential policymaking toward the Arab-Israeli conflict.

As an associate of the Kettering Foundation, he co-chairs a task force of the Dartmouth Conference on Soviet-U.S. relations in regional conflicts and co-chairs the U.S.-China Task Force. He served on the Executive Committee of the Institute for East-West Security Studies in New York, 1982-1989. He serves on advisory councils at Princeton, Ohio State, and the University of Virginia and on the Governing Council of the International Society of Political Psychology. He visits colleges under a program of the Woodrow Wilson National Fellowship Foundation and teaches at The Johns Hopkins University's Paul Nitze School of Advanced International Studies. He is a member of the Council on Foreign Relations.

He speaks often on conflict management and resolution, negotiation and peacemaking, new views of international relationships, policymaking and decisionmaking, intelligence and analysis in policymaking, the president and foreign policy, ethical issues in policymaking, and the Middle East.

A Philadelphian, he received an A.B. in English and American Civilization from Princeton (1952) and a Ph.D. in American Studies from Yale (1956). As a U.S. Air Force lieutenant (1956-1959) he served in the Central Intelligence Agency and stayed as an intelligence analyst until he moved to the NSC Staff. A widower (1973-1990) with a daughter (Harvard '86) and son (Penn '88), he is now married to the former Carol Jones Cruse. He is an elder in the Presbyterian Church (U.S.A.).



Center for Strategic & International Studies
Washington, DC

Edward N. Luttwak
Arleigh Burke Chair in Strategy

Biographic Note: Edward N. Luttwak, holder of Burke Chair in strategy, Center for Strategic and International Studies, Washington DC. **Government consulting, since 1973:** for Immediate Office of the Secretary, OSD, DoD; Under-Secretary of Defense for Policy, the National Security Council, White House chief of staff (Howard M. Baker) and Department of State.

Military consulting, since 1975: carried out first, or one of the first DoD planning studies for the Rapid-Deployment Force--RDF, later RDJTF, eventually the US Central Command; conducted the US Army TRADOC study that originated the Light Infantry concept; reported for US Army TRADOC Israeli corps-level armored offensive in Lebanon in 1982--still the only multi-divisional armored operation since 1945. Performed conceptual analyses of non-nuclear strategic bombardment.

Academic/Military--Academic, since 1972:

In addition to his permanent CSIS duties, has taught at Johns Hopkins University and its School of Advanced International Studies.

Has been a guest lecturer at the US Army War College, US Navy War College, AU Maxwell, National War College, Industrial College of the Armed Forces, and at the General Officers's joint warfare course, as well as at war colleges in Canada, Belgium, Britain, India, Israel, Italy, Japan and Korea. Was 1987 Nimitz lecturer at UC Berkeley and 1989 Tanner lecturer at Yale.

Member of the editorial boards of *The European Journal of International Affairs*, *Washington Quarterly*, *Journal of Strategic Studies*, *Geopolitique* (Paris), and *The National Interest*. In addition to ephemera and contributions to collective works, he is the author of various books including:

The Political Uses of Sea Power (Johns Hopkins U.P., 1974).

The Israeli Army with D. Horowitz (Harper & Row, 1975)

Strategy and Politics: Collected Essays (Transaction, 1980).

The Pentagon and the Art of War (Simon & Schuster, 1985).

Strategy and History: Collected Essays II (Transaction, 1985).

On the Meaning of Victory (coll. essays) (Simon & Schuster, 1986).

and: *Strategy: The Logic of War and Peace* (The Belknap Press of the Harvard University Press, 1987).

His books have been published in Arabic, Chinese, Danish, Dutch, Finnish, French, German, Greek, Hebrew, Italian, Japanese, Korean, Norwegian, Spanish and Swedish editions.

Curriculum Vita
PATRICK L. CLAWSON

Professional Experience

Resident Scholar, Foreign Policy Research Institute, August 1989 to present.

Research on international economics, including project on "Why Latin America and Africa Choose to Remain Poor."

Contributing editor of *Orbis* magazine, for which also write on international economics.

Advisor to Institute's Corporate Advisory Service and speaker in its luncheon series, Where Business and Politics Meet.

Responsible for developing articles on international affairs for Directors and Boards magazine.

Visiting Fellow, Washington Institute for Near East Policy, March-May 1989 (on leave from World Bank).

Prepare report on economic impact of Syria's military build-up from 1977 through 1988; conduct seminar on same.

World Bank economist, October 1985 to July 1989.

Led missions to analyze financial systems, government expenditures and taxation systems in four francophone West African countries - Ivory Coast, Cameroon, Congo, Togo.

Manage preparation of major World Bank reports (for member governments, not available to the public) on public expenditures and tax changes in these countries.

Prepare forecasts of changes in medium-term economic outlook in these countries using various models, e.g., computable general equilibrium model.

Participate in design of adjustment programs in these countries; identify barriers to growth and a program for their elimination in a manner designed to minimize transition costs.

Negotiation of 'structural adjustment loan' to Guinea-Bissau.

International Monetary Fund economist, Sept. 1981 to Sept. 1985.

Participated in 16 missions to Middle Eastern countries (e.g., Bahrain, South Yemen, Sudan, UAE) for negotiation of economic adjustment programs and consultations on economic policy. Desk officer for Kuwait, Iraq, and Sudan.

Prepare sections in IMF reports on these countries on balance of payments and monetary development, policies, and outlook.

Desk Officer for Kuwait, Iraq, and Sudan.

In Research Department, contributed to the IMF's World Economic Outlook.

Washington agent for Scientists' Institute for Public Information, (SIPI), a New York-based non-profit organization funded by the media and foundations to facilitate media coverage of science, Jan. 1983 to present.

Organizing forums for media, e.g., on terrorism.

Prepare information papers on media coverage and grant proposals, e.g., on terrorism.

Selected Publications

Patrick Clawson

2

Op-ed articles and book reviews in Wall Street Journal, Chicago Tribune, Newsday on Syria, Iran-Iraq war and international economics issues.

Short reviews of books on international economics, Orbis, 1986 to present.

"Counter-Terrorism and Civil Liberties: Making the Trade-off in the U.S.," Politics of Counter-Terrorism, University Press of America in conjunction with the Foreign Policy Institute of the Johns Hopkins University School for Advanced International Studies, 1989.

"Coping with Terrorism in the United States," Orbis, Summer 1989.

Syria's Military Build-Up and Economic Crisis, 1977-88, Washington Papers, Washington Institute for Near East Policy, 1989.

"Islamic Iran's Economic Policies and Prospects," Middle East Journal, Summer 1988.

"Terrorism in Decline," Orbis, Spring 1987.

"Why We Need More But Better Coverage of Terrorism," Orbis, Winter 1987.

"Adjustments to a Foreign Exchange Shock: Lessons from the Iranian Experience, 1951-53," with Cyrus Sassanpour, International Journal of Middle East Studies, Summer 1986.

"Bahreh (Interest)" and "Bankdari (Banking)," with Willem Floor, Encyclopaedia Iranica, Columbia University Press, 1987.

"The IMF Supply-side Approach to Devaluation in Sudan," with Karim Nashashibi, Oxford Bulletin of Economics and Statistics, February 1986.

"Finance and Foreign Exchange for Industrialization in Iran, 1931-40," with Willem Floor, in R. Lawless (ed.), Essays on Twentieth Century Gulf Economic History, University of Durham (U.K.) Press, 1986.

"Iran's Economic Problems and Islamic Economics," prepared for the Gulf Security Project of Georgetown University's Center for Strategic and International Studies, 1982, withdrawn at the insistence of the IMF.

"Four Economic Problems Facing Arab Gulf Countries," accepted for publication in Washington Quarterly, 1981, withdrawn at the insistence of the IMF.

"Egypt's Industrialization: A Critique of 'Dependency' Theory," MERIP Reports, December 1978.

Other Professional Activities

Appearances on NBC News, Financial News Network, Canada AM on Iranian and Syrian support for terrorism.

Consulting for Orkand Corporation on Defense Department contracts on long-term prospects for the Middle East, e.g., Office of Net Assessments, U.S. Army Intelligence.

Advisory Editor of Middle East Journal and referee of manuscripts for, among others, International Journal of Middle East Studies, Routledge Kegan Paul and SUNY Press.

Patrick Clawson

3.

Speaker at conferences on Iran, including for State Department (1989), Council on Foreign Relations (1987 and 1986), and Woodrow Wilson Center of Smithsonian Institute (1986).

Research on the social history of Iran during the 1920s through 1940s, including presentations at several conferences (e.g., Middle East Studies Association), two completed articles as part of a book manuscript of essays about to be submitted for publication.

University Experience

B.A. in economics, Oberlin College, 1973

Research assistant, Yale Economics Dept., 1975

Ph.D. in economics, New School for Social Research, New York, 1978. Thesis title: "The Internationalization of Capital in the Middle East."

Assistant professor of economics, Seton Hall University, South Orange, N.J., 1978-81; Hunter College, City University of New York, 1977.

Languages

French - good working knowledge

German - good working knowledge

Persian (Farsi) - good working knowledge

Hebrew - good working knowledge

Arabic - some

Jerrold M. Post is Professor of Psychiatry, Political Psychology and International Affairs at The George Washington University. He founded and led the U.S. Government's Center for the Analysis of Personality and Political Behavior.

