

U.S. AND EUROPE: THE BUSH ADMINISTRATION AND TRANSATLANTIC RELATIONS

HEARING BEFORE THE SUBCOMMITTEE ON EUROPE OF THE COMMITTEE ON INTERNATIONAL RELATIONS HOUSE OF REPRESENTATIVES ONE HUNDRED SEVENTH CONGRESS

SECOND SESSION

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CONTENTS

	Page
WITNESSES	
The Honorable A. Elizabeth Jones, Assistant Secretary, Bureau of European and Eurasian Affairs, U.S. Department of State	3
LETTERS, STATEMENTS, ETC., SUBMITTED FOR THE HEARING	
The Honorable Elton Gallegly, a Representative in Congress from the State of California, and Chairman, Subcommittee on Europe: Prepared statement	2
The Honorable A. Elizabeth Jones: Prepared statement	8
APPENDIX	
Follow-up questions submitted by the House Subcommittee on Europe, Committee on International Relations, to the Honorable A. Elizabeth Jones, and responses	27

U.S. AND EUROPE: THE BUSH ADMINISTRATION AND TRANSATLANTIC RELATIONS

WEDNESDAY, MARCH 13, 2002

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON EUROPE,
COMMITTEE ON INTERNATIONAL RELATIONS,
Washington, DC.

The Subcommittee met, pursuant to call, at 1:07 p.m. In Room 2200, Rayburn House Office Building, Hon. Elton Gallegly [Chairman of the Subcommittee] presiding.

Mr. GALLEGLY. We will call to order the European Subcommittee.

Since its inception last year, the Subcommittee has held five hearings in which we received expert opinion regarding U.S. interests in Europe and advice on how U.S. policy should address the various issues in the transatlantic relationship.

Today, this Subcommittee on Europe will hear from the Assistant Secretary of State for Europe who will discuss the Bush Administration's policy approach toward Europe and the status to the transatlantic relationship.

Can we turn that down just a little bit?

It is appropriate that we focus on the transatlantic alliance because the relationship between the United States and all of Europe by any measure is the most important relationship we have. Nowhere are the interests in the United States more fully advanced than through our European partnership, our relations with Russia and our goals in the Balkans, the Caucasus and in the eastern Mediterranean.

The creation of this Subcommittee sent a clear and important signal to our allies and friends across the Atlantic that, in the Congress, Europe remains our highest priority.

Since September 11th, our partnership with Europe has become even more vital as we seek common strategies and solutions for the plague of global terrorism.

Europe's response to the terrorist attack on the U.S., from London, Paris, Berlin, Moscow, Sofia, Vilnius, Athens, Ankara and all points in between was both gratifying and appreciated. Since then, the cooperation, whether in military matters or police activities, has been nothing less than excellent.

Nevertheless, despite the cooperation and good relations, there are problems and challenges. All relationships have their rough moments, and the transatlantic alliance is no different. Recent European criticisms of the Administration's policy approaches have

resurrected comments that the relationship is strained, fraying or even falling apart.

As I have said before, our policy interests and objectives may not always be in perfect harmony with those of our European allies. We do have differences on arms control, proliferation, the environment, the Middle East and trade issues. As sovereign nations, we understand that there will always be differences. As friends, we deal with them, even if at times we do not handle them as well as we could.

Yet, in the overall relationship, these are not the kinds of differences which should lead some to suggest that the alliance is breaking apart.

Today's hearing is intended to assess the Bush Administration's views on the overall transatlantic relationship and to address what the Administration believes are our most pressing opportunities and challenges within Europe.

[The prepared statement of Mr. Gallegly follows:]

PREPARED STATEMENT OF THE HONORABLE ELTON GALLEGLY, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA, AND CHAIRMAN, SUBCOMMITTEE ON EUROPE

Since its inception last year, the Subcommittee has held five hearings in which we received expert opinion regarding U.S. interests in Europe and advice on how U.S. policy should address the various issues in the transatlantic relationship.

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Nevertheless, despite the cooperation and good relations, there are problems and challenges? All relationships have their rough moments and the trans-Atlantic alliance is no different. Recent European criticisms of the Administration's policy approaches have resurrected comments that the relationship is "strained", "fraying" or even "falling apart".

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We do have differences on arms control, proliferation, the environment, the Middle East and trade issues. As sovereign nations, we understand that there will be differences. As friends we deal with them, even if at times we do not handle them as well as we could.

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Today's hearing is intended to assess the Bush Administration's views on the overall transatlantic relationship and to address what the Administration believes are our most pressing opportunities and challenges within Europe.

I look forward to the testimony of the Assistant Secretary.

Mr. GALLEGLY. I look forward to hearing the testimony of the Assistant Secretary; and before we go to the Assistant Secretary, I

would like to recognize my good friend and colleague from Nebraska, Doug Bereuter.

Mr. BEREUTER. Thank you very much, Mr. Chairman. I will forego an opening statement but just commend you for holding this hearing. I think there is a lot for us to learn and to consider with respect to the relationship of the United States with our European allies in other countries of Europe, and I look forward to the Secretary's comments today and a chance to ask her questions.

Mr. GALLEGLY. I thank the gentleman from Nebraska.

With that, we will turn the microphone over to our good friend, Secretary Elizabeth Jones. Madam Secretary.

STATEMENT OF THE HONORABLE A. ELIZABETH JONES, ASSISTANT SECRETARY, BUREAU OF EUROPEAN AND EURASIAN AFFAIRS, U.S. DEPARTMENT OF STATE

Ms. JONES. Mr. Chairman, thank you very much. I am very pleased to be here today. I welcome the exchange that I hope we will have after I go through my testimony.

I have a lengthier testimony that I would like to ask your permission to submit for the record, but I will go through quite a bit of it orally if I may.

Mr. GALLEGLY. Without objection, your testimony will be made a part of the record in its entirety.

Ms. JONES. Thank you.

As I said, I am very much delighted to be here to address these issues.

President Bush said last August in Warsaw that the Administration seeks a Europe whole, free and at peace. This is even more vital now after September 11th, where the imperative for closer coordination has opened up what we consider to be new opportunities in achieving our goals in Europe and Eurasia. Most importantly, we are cooperating more broadly to combat terrorism. This happens in very many categories at very many levels. We are pursuing a deeper relationship with Russia. We are advancing throughout the region respect for democracy, the rule of law, human rights and free market economies.

And I might say that the visit yesterday and today of President Karimov of Uzbekistan, which is not exactly in the purview of this Committee but is a part of our responsibilities, and is very important in this respect.

To speak about the issue that you raised in particular, Mr. Chairman, we know who our friends are when the chips are down and when we need help, and I would argue that, by this measure, we certainly have friends in Europe. Following September 11th, our European partners offered really critical assistance in military deployments to Afghanistan. They cracked down on terrorist activities in their territory. European and American soldiers are working side by side in Afghanistan; and very regrettably just last week German and Danish troops suffered fatalities while trying to disarm abandoned ordnance in Kabul. We think that Europe and the United States are partners in every sense.

But as you noted, Mr. Chairman, recently some of our European partners have expressed concerns about what they consider to be a return of U.S. unilateralism. They wonder—some of them wonder

about our long-term goals in the war on terrorism and our intentions regarding pariah states such as Iraq. We take these concerns very seriously, but we think we should put them in perspective.

The Europeans, of course, speak as our coalition partners. They are vulnerable to the same dangers that we are. One of my European colleagues put this most succinctly and most poignantly to me last week in a conversation that we had, that September 11th, he said, was an attack on all of us. That is why we want to be involved in the solution.

As Secretary Powell says constantly, however, the U.S. will continue to engage vigorously with our European partners. He is on the phone daily, many, many times a day, with his European counterparts, as are many of the rest of us. Our policies haven't changed. We absolutely remain in close touch and continue to look for ways to increase our engagement, our consultations, our discussions, our dialogue with our European colleagues.

One of the ways that we are working to do this is to reinvigorate our partnership with the European Union. Counterterrorism there is also front and center. In December, Secretary Powell signed an agreement with EUROPOL. We are aiming next for an agreement on judicial cooperation. There is potential for progress on non-proliferation, intelligence sharing, asset freezes and uprooting terrorist networks. We are taking joint action terrorist organizations.

And I wanted to emphasize this, because this is new in the U.S.-European relationship, the amount of contact, cooperation and exchanges that go on between the justice and home affairs ministries in our Department of Justice and FBI and law enforcement agencies.

NATO remains, of course, the cornerstone of transatlantic security. After September 11th, our allies invoked the Article 5 collective defense commitment for the first time in history. They have provided invaluable support to the anti-terrorist effort. This includes force deployments, intelligence sharing and extensive law enforcement assistance. Allies recognize that we must intensify this cooperation to address threats of terrorism and weapons of mass destruction. That is among our goals for the Prague Summit coming up in November.

The 9-11 attacks and the continuation of terrorist threats have underscored the need for NATO to improve its ability to meet new challenges to our common security. The allies recognized this threat in the 1991 Strategic Concept, and they reinforced it at the Washington Summit in 1999. When President Bush meets with the allied leaders in Prague, NATO is expected to approve a program of action to enhance its ability to deal with these threats. It is vital that our European allies, who have not followed through on all the commitments made in NATO's defense capabilities initiative, refocus and reprioritize their efforts to address the growing capabilities gap within NATO. Thus, the development of new capabilities is one of our priorities for the Prague Summit next November.

In addition to new challenges, another goal for Prague is new members to the alliance. There has been a great deal of focus on this particular aspect of the Prague Summit. An interagency team, American interagency team, recently visited each of the nine countries participating in the Membership Action Plan for frank and de-

tailed discussions of their progress toward these goals. As we approach these historic decisions on new NATO members, we look forward to a close dialogue with the Congress. Our goal is to forge a united U.S. approach to enlargement and a solid consensus within the alliance.

Our third goal for Prague is to advance new relationships. Foremost among these is a constructive NATO-Russia relationship. NATO's continued outreach to Partnership for Peace member states has overcome entrenched hostility and historical divisions. Through its unique partnerships, NATO remains the only institution that can unite the continent in security cooperation. It remains the indispensable nexus to broaden and deepen Euro-Atlantic security, democracy, free markets and the rule of law.

As NATO further evolves, we will work to strengthen alliance links for those partners who are not ready or do not seek NATO membership. Many of our partners, such as the Nordic countries and Ireland, have contributed significantly to NATO's efforts in the Balkans. They have reached out to the states of the former Soviet Union. We will continue to work closely with these partners to improve interoperability and capabilities of all NATO's partners.

We continue to support a European Security and Defense Policy that strengthens NATO while increasing the EU's ability to act where NATO as a whole is not engaged. At the same time, the broader value of close NATO-EU cooperation is nowhere more evident than in southeast Europe, where NATO and the EU have worked closely to prevent instability, overcome violence and begin to build a lasting peace. The Macedonia peace settlement is a model of our collective ability to draw on the unique strengths of these organizations in a common effort.

NATO and its partners in SFOR and KFOR still have a role to play, as does the German-led NATO Task Force Fox in Macedonia. Our vision is that the U.S. and the international community deal with this region normally—without troops on the ground and through trade and investment rather than aid. We are mindful that we came into this region to gather with our allies, and we should go out together.

But our engagement in southeast Europe is changing, as it should. We continue to support economic reform and regional trade development, supported by a Southeast Europe Trade Preferences Act. We are encouraging further integration of the region with Europe. We promote rule of law, cooperation with the International Criminal Tribunal and ethnic tolerance.

Our European partners and us have been able to reduce force levels in Bosnia and Kosovo. We anticipate that NATO military authorities will recommend further reductions in Bosnia and Kosovo. The EU will take over the UN's police mission in Bosnia at the end of the year. The international community recently agreed to a blueprint for streamlining and downsizing its presence in Bosnia. The creation of a government in Kosovo will allow the transfer of many responsibilities from the international community to local democratically elected authorities.

In Macedonia, the close and continuing cooperation between the EU, NATO and the OSCE is a model for transatlantic cooperation

and crisis management. Task Force Fox is small. It is of limited duration and made up almost entirely of Europeans.

I want to particularly emphasize the role of the OSCE as a vital element of our engagement with Europe. It is the pre-eminent multilateral institution for upholding democracy, human rights and the rule of law. It undertakes early warning measures, conflict prevention and post-conflict rehabilitation. OSCE also implements valuable programs to counter corruption and trafficking and strengthen the rule of law through police training and judicial reform. Its broad membership allows it to operate throughout Europe and Eurasia.

The OSCE has said it will begin to play a role in the war against terrorism. It can encourage European and Eurasian countries to adhere to the principles of UN Resolution 1373. It will continue to be central to the development of pluralistic societies in the Balkans, including solidifying the framework agreement in Macedonia. Implementation of CFE commitments will be an ongoing OSCE oversight responsibility. The organization can offer opportunities for cooperative engagement with Russia and the European Union.

The OSCE plays a critical role in our effort to promote democracy, human rights and rule of law throughout Eurasia. It is working to restore territorial integrity in Moldova. In Belarus, we work with the OSCE and our European partners to urge the Lukashenko regime to adopt OSCE standards of behavior and come out of its self-imposed isolation. Unfortunately, the regime shows no inclination to do so thus far.

In Moldova, we work through the OSCE and with key players to resolve the separatist conflict in Transnistria and reincorporate that region into Moldova. Ukrainian involvement is important on this issue and in the region generally. Ukraine's influence is a potential force for regional stability and European integration. Ukrainian success in political and economic reform will fulfill that country's political aspirations and will inspire other post-Soviet states to follow the same path.

In the Caucasus, we are working with Armenia and Azerbaijan to resolve their conflict over Nagorno-Karabakh. We seek a comprehensive settlement through the Minsk Group peace process. Georgian sovereignty is important to the Administration. We are proposing a program to develop Georgia's internal capacity to deal with terrorism now and in the future. We are also working very hard to support the development of democracy and human rights in the Caucasus.

With Russia, our bilateral cooperation is unprecedented. Counterterrorism collaboration is central to this effort, but it is not the sole focus. The U.S. and Russia are cooperating more closely in intelligence sharing, nuclear weapons reduction and resolution of Eurasian regional conflicts. We are working together on the fight against HIV/AIDS and other infectious diseases, organized crime and narcotics trafficking. We hope to expand the economic and commercial component of the relationship.

While we broaden this new cooperation with the Russians, we have not forgotten the difficult issues. We continue to press our concerns over issues such as the conduct of Russian forces in Chechnya and threats to media freedom in Russia as a whole.

Russia's cooperation with us and our allies in the war against terrorism also reflects the opportunity to bring Russia closer to NATO. We are working with our allies on arrangements for a NATO-Russia body that would focus on concrete, practical projects of mutual benefit. Russia would participate in this NATO-Russia Council, which would focus on issues with potential for cooperative initiatives, as an equal. The deepening of the Russian-NATO relationship will not be allowed to undercut NATO's ability to decide and act on its own. Russia would not get a veto over the ability of NATO's 19 allies to act on their own. The NAC, North Atlantic Council, will continue to meet and make decisions as it always has.

The mechanisms and substance of such arrangements are still being worked out. I pledge to keep the Committee apprised of progress. Moreover, I want to reiterate President Bush's and Lord Robertson's pledges not to give Russia a veto over NATO operations. This is not a back door to membership but rather an opportunity for Russia to develop a new relationship with NATO that would advance not only our interests but also its own.

In the spirit of new U.S.-Russia cooperation, we believe it is time to move beyond the Cold War. Russia has made significant progress on religious freedom and emigration. Therefore, the President is pursuing the removal of Russia and eight other Eurasian countries from the application of Jackson-Vanik legislation. We hope the Congress will pass legislation to "graduate" Russia from Jackson-Vanik before the President visits Moscow this spring. The President and Secretary Powell appreciate the support of many Members of this Committee in this endeavor.

Success in addressing transnational problems is more important than ever in pursuing America's transatlantic agenda. Stable countries able to withstand terrorist and other threats are based on respect for the rule of law, human rights, religious freedom and open media. Stable countries have vibrant civil societies. They are committed to the principles of free market economies. The Administration's attention to these values with our European and Eurasian friends is even more critical as we pursue the war on terrorism with our coalition partners. Enhanced defense and security cooperation and intelligence sharing must be buttressed by societies committed to democratic principles such as those in the Final Act in the Conference on Security and Cooperation in Europe. Moreover, we are continuing efforts with our transatlantic partners to address problems with respect to no borders such as HIV/AIDS, narcotics trafficking, environmental degradation and trafficking in women and children.

Public diplomacy is critical to the promotion of our policies in Europe and Eurasia. Training programs and exchanges offer an accurate portrayal of American views, values and tradition. These people-to-people ties will help bind the nations of Europe and Eurasia with the United States, thereby enhancing the transatlantic relationship and, therefore, American security.

Thank you, Mr. Chairman. I welcome your questions and comments.

Mr. GALLEGLY. Thank you very much, Madam Secretary.
[The prepared statement of Ms. Jones follows.]

PREPARED STATEMENT OF THE HONORABLE A. ELIZABETH JONES, ASSISTANT SECRETARY, BUREAU OF EUROPEAN AND EURASIAN AFFAIRS, U.S. DEPARTMENT OF STATE

Mr. Chairman, Members of the Committee, I am delighted to be here today to review with you the Administration's goals for U.S.-European relations, including Russia and the Caucasus.

President Bush said last August in Warsaw that the Administration seeks a Europe "whole, free, and at peace." This is even more vital to America's national security in the aftermath of September 11th. The imperative for closer coordination has opened up new opportunities to achieve our goals in Europe and Eurasia. We are cooperating more broadly to combat terrorism. We are pursuing a deeper relationship with Russia. We are advancing throughout the region respect for democracy, the rule of law, human rights, and free market economies.

We know who our friends are when the chips are down and we need help. By this measure, we have friends in Europe. Following September 11th our European partners offered critical assistance in military deployments to Afghanistan. They cracked down on terrorist activities in their territory. European and U.S. soldiers are working side-by-side in Afghanistan. Last week, German and Danish troops suffered fatalities while trying to disarm abandoned ordnance in Kabul. Europe and the U.S. are partners in every sense.

Recently, a few European leaders have expressed concerns about U.S. "unilateralism." Some wonder about our long-term goals in the War on Terrorism and our intentions regarding pariah states such as Iraq. We take these concerns seriously. But we must put them in perspective. Europeans speak as our coalition partners. They are vulnerable to the same dangers that we are. As one European explained it: "September 11th was an attack on all of us. We want to be involved in the solution." As Secretary Powell says constantly, the U.S. will continue to engage vigorously with our European partners. Our policies have not changed. We will remain in close touch. U.S.-European relations remain steadfast.

We are reinvigorating our partnership with the European Union. Counter-terrorism is front and center. In December Secretary Powell signed an agreement with EUROPOL. We are aiming next for an agreement on judicial cooperation. There is potential for progress on non-proliferation, intelligence sharing, asset freezes, and uprooting terrorist networks. We are taking joint action against terrorist organizations.

The U.S. and EU economies are increasingly integrated. Trade and reciprocal foreign investment rise each year, doubling since 1990. The U.S. supports a fair, open international trading system. We worked with the EU on a successful launch of the new WTO Round at Doha. We pursue vigorously the resolution of U.S.-EU trade disputes. We will continue to promote U.S. business and economic interests in resolving outstanding disagreements, not just on steel, but on Foreign Sales Corporation tax, biotechnology and beef hormones. Europeans have reacted strongly to the President's decision to impose temporary safeguards on steel. We will work with our European friends and other steel producing countries to address the heart of this problem: excess global capacity in steel production. Our goal is that transatlantic trade solidify all aspects of our relationship, including security.

Our European friends and allies share our concern about the need to accord recognition to surviving Holocaust victims within their lifetimes. In the past eight months, the German foundation "Remembrance, Responsibility and the Future" distributed more than \$1.1 billion to 600,000 former slave and forced laborers as provided under the July 17, 2000 agreements. The payment of insurance claims is a difficult issue. We will continue to work with the International Commission on Holocaust Era Insurance Claims and other involved parties to resolve outstanding procedural problem. We are engaged on property restitution. In this regard, the International Task Force on Holocaust Education, Remembrance and Research is an important focus. The foundation's board of trustees is working on criteria for projects of the Future Fund. The interest on the endowment will be used to combat racism and hatred.

NATO remains the cornerstone of transatlantic security. In the aftermath of September 11th, Allies invoked NATO's Article 5 collective defense commitment for the first time in history. Our Allies have provided invaluable support to the anti-terrorist effort. This includes force deployments, intelligence sharing, and extensive law enforcement assistance. Allies recognize that we must intensify this cooperation to address the threats of terrorism and Weapons of Mass Destruction. That is among our goals for the Prague Summit next November.

The September 11th attacks and continued terrorist threats have underscored the need for NATO to improve its ability to meet new challenges to our common secu-

riety. Allies recognized this threat in the 1991 Strategic Concept. They reinforced it at the Washington Summit in 1999. When President Bush meets with Allied Leaders in Prague, NATO is expected to approve a program of action to enhance its ability to deal with these threats. It is vital that our European Allies, who have not followed through on all the commitments made in NATO's Defense Capabilities Initiative, refocus and reprioritize their efforts to address the growing capabilities gap within NATO. Thus, the development of new capabilities is one of our priorities for the Prague Summit next November.

A second key goal for Prague is the addition of new members to the Alliance. Continued NATO enlargement will reinforce the strength and cohesion of states committed to our values. It will bolster our own defense. We are looking closely at values issues among aspirant countries. We will evaluate candidates on their ability to further NATO's principles and contribute to the security of the North Atlantic area. An inter-agency team recently visited each of the nine countries participating in the Membership Action Plan for frank discussions of their progress toward these goals. As we approach these historic decisions, we look forward to a close dialogue with the Congress. Our goal is to forge a united U.S. approach to enlargement and a solid consensus within the Alliance.

We also hope to advance new relationships at the Prague Summit. Foremost among these is a constructive NATO-Russia relationship, which I will address later. NATO's continued outreach to Partnership for Peace member states has overcome entrenched hostility and historical divisions. Through its unique Partnerships, NATO remains the only institution that can unite the continent in security cooperation. NATO remains the indispensable nexus for broadening and deepening Euro-Atlantic security, democracy, free markets, and the rule of law. At Prague, we intend to continue building closer links with Russia, Ukraine, and all of NATO's Partners.

As NATO further evolves, we will work to strengthen Alliance links between those Partners who are not yet ready or do not seek NATO membership. Many of our Partners, such as the Nordic countries and Ireland, have contributed significantly to NATO's efforts in the Balkans. They have reached out to the states of the former Soviet Union. We will continue to work closely with these Partners to improve interoperability and capabilities of all NATO's Partners.

Most recently, our Central Asian and Caucasus Partners have stepped forward to play critical roles in the anti-terrorist effort. We intend to energize all elements of the Partnership for Peace at NATO to engage Central Asian and Caucasus Partners. Working with our Allies and more advanced Partners, we hope to increase, coordinate and target assistance to the Central Asian and Caucasus states. We believe PfP programs should address issues that have the greatest appeal to these countries. These include terrorism, border security, and civil emergency planning. We will continue to support the development of democracy and market economic institutions to help ensure the viability of our security partnerships with these countries. We look to the OSCE to play an increasing role in this regard.

We continue to support a European Security and Defense Policy that strengthens NATO while increasing the EU's ability to act where NATO as a whole is not engaged. At the same time, the broader value of close NATO-EU cooperation is nowhere more evident than in Southeast Europe, where NATO and the EU have worked closely to prevent instability, overcome violence and begin to build a lasting peace. The Macedonia peace settlement is a model of our collective ability to draw on the unique strengths of these organizations in a common effort.

Key to a Europe "whole, free and at peace" is a more stable, democratic and prosperous Southeast Europe. Despite the region's great strides since the Dayton Peace Accords, governments still have much to do. Working in partnership with the U.S. and the Europeans, these nations must complete reform efforts and establish an environment conducive to prosperity. Corruption, insufficient border controls and weak export control regimes contribute to trafficking throughout the region—in arms, drugs and people. Work in these areas also contributes to our global counterterrorism efforts.

NATO and its partners in SFOR and KFOR still have a role to play, as does the German-led NATO "Task Force Fox" in Macedonia. Our vision is that the U.S. and the international community deal with this region "normally"—without troops on the ground and through trade and investment rather than aid. We are mindful that we came into this region together with our Allies and we should go out together.

Our engagement with Southeast Europe is changing. We continue to support economic reform and regional trade development, supported by a Southeast Europe Trade Preferences Act (SETPA). We are encouraging further integration of the region with Europe. We promote rule of law, cooperation with the International Criminal Tribunal, and ethnic tolerance. With success, our European partners and we

have been able to reduce force levels in Bosnia. We anticipate that NATO Military Authorities will recommend further reductions in Bosnia and Kosovo. The EU will take over the UN's police mission in Bosnia at the end of the year. The international community recently agreed to a blueprint for streamlining and downsizing its presence in Bosnia. The creation of a government in Kosovo will allow the transfer of many responsibilities from the international community to local democratically elected authorities. In Macedonia, the close and continuing cooperation between the EU, NATO and the OSCE is a model for transatlantic cooperation in crisis management. Task Force Fox is small. It is of limited duration and made up almost entirely of Europeans.

A critical element of achieving the President's vision of a Europe "whole, free and at peace" is the resolution of regional and ethnic conflicts in Europe and neighboring Eurasia. We are pleased by progress in the Cyprus talks. We will encourage the leaders on the island to achieve a final settlement in the coming months. The Good Friday Accord is being implemented in Northern Ireland. We will work to solidify the role of the police force there. Cooperation among all factions is crucial. In Northern Europe, we will continue to work with our Nordic Allies and friends and our Baltic and other regional partners, including Russia. It is vital that we reinforce ten years of progress in a region of shared values. Opportunities for economic progress good neighborly relations and democratic institution building are beginning to outweigh the challenges.

OSCE remains a vital element in our engagement with Europe. It is the pre-eminent multilateral institution for upholding democracy, human rights and the rule of law. It undertakes early warning measures, conflict prevention, and post-conflict rehabilitation. OSCE also implements valuable programs to counter corruption and trafficking, and strengthen the rule of law through police training and judicial reform. Its broad membership allows it to operate throughout Europe and Eurasia.

The OSCE has said it will begin to play a role in the war against terrorism. The OSCE can encourage European and Eurasian countries to adhere to the principles of UN Resolution 1373. It will continue to be central to development of pluralistic societies in the Balkans, including solidifying the Framework Agreement in Macedonia. Implementation of CFE commitments will be an ongoing OSCE oversight responsibility. The organization can offer opportunities for cooperative engagement with Russia and the European Union.

The OSCE plays a critical role in our effort to promote democracy, human rights and rule of law throughout Eurasia. It is working to restore territorial integrity in Moldova. In Belarus, we work with the OSCE and our European partners to urge the Lukashenko regime to adopt OSCE standards of behavior and come out of its self-imposed isolation. Unfortunately, the regime shows no inclination to do so thus far. In Moldova, we work through the OSCE and with key players to resolve the separatist conflict in Transnistria and reincorporate that region into Moldova. Ukrainian involvement is important on this issue and in the region generally. Ukraine's influence is a potential force for regional stability and European integration. Ukrainian success in political and economic reform will fulfill that country's European aspirations and will inspire other post-Soviet states to follow the same path.

In the Caucasus, we are working with Armenia and Azerbaijan to resolve their conflict over Nagorno-Karabakh. We seek a comprehensive settlement through the Minsk Group peace process. Georgian sovereignty is important to the Administration. We are proposing a program to develop Georgia's internal capacity to deal with terrorism now and in the future. We also are working to support the development of democracy and human rights in the Caucasus.

Bilateral U.S.-Russia cooperation is unprecedented. Counterterrorism collaboration is central to this effort, although not the sole focus. The U.S. and Russia are cooperating more closely in intelligence sharing, nuclear weapons reduction, and resolution of Eurasian regional conflicts. We are working together in the fight against HIV-AIDS and other infectious diseases, organized crime and narcotics trafficking. We hope to expand the economic and commercial component of the relationship. While we broaden this new cooperation with the Russians, we have not forgotten the difficult issues. We continue to press our concerns over issues such as the conduct of Russian forces in Chechnya and threats to media freedom in Russia as a whole.

Russia's cooperation with us and our Allies in the war on terrorism also reflects the opportunity to bring Russia closer to NATO. We are working with our Allies on arrangements for a new NATO-Russia body that would focus on concrete, practical projects of mutual benefit. Russia would participate in this "NATO-Russia Council"—which would focus on issues with potential for cooperative initiatives—as an equal. The deepening of the Russia-NATO relationship will not be allowed to under-

cut NATO's ability to decide and act on its own. Russia would not get a veto over the ability of NATO's 19 Allies to act on their own. The NAC will continue to meet and make decisions as it always has. The mechanisms and substance of such arrangements are still being worked out. I pledge to keep the Committee apprised of progress. Moreover, I want to reiterate President Bush's and Lord Robertson's pledges not to give Russia a veto over NATO operations. This is not a backdoor to membership. This is an opportunity for Russia to develop a new relationship with NATO that would advance not only our interests but also its.

In the spirit of new U.S.-Russia cooperation, we believe it is time to move beyond the Cold War. Russia has made significant progress on religious freedom and emigration. Therefore, the President is pursuing the removal of Russia and eight other Eurasian countries from the application of Jackson-Vanik legislation. We hope that Congress will pass legislation to "graduate" Russia from Jackson-Vanik before the President visits Moscow this spring. The President and Secretary Powell appreciate the support of many Members of this committee in this endeavor.

Success in addressing transnational problems is more important than ever in pursuing America's transatlantic agenda. Stable countries able to withstand terrorist and other threats are based on respect for the rule of law, human rights, religious freedom, and open media. Stable countries have vibrant civil societies. They are committed to the principles of free market economies. The Administration's attention of these values with our European and Eurasian friends is even more critical as we pursue the War on Terrorism with our coalition partners. Enhanced defense and security cooperation and intelligence sharing must be buttressed by societies committed to democratic principles such as those in the Final Act in the Conference on Security and Cooperation in Europe. Moreover, we are continuing efforts with our transatlantic partners to address problems that respect no borders, e.g., HIV/AIDS and infectious disease, narcotics trafficking and environmental degradation.

Critical to the promotion of our policies in Europe and Eurasia is the use of Public Diplomacy. Training programs and exchanges offer an accurate portrayal of American views, values and traditions. Such people-to-people ties will help bind the nations of Europe and Eurasia with the United States, thereby enhancing the transatlantic relationship and American security.

Now I will be pleased to address your questions.

Mr. GALLEGLY. I have just a couple of questions, and then I will defer to my colleagues. I know that they have several questions, as this hearing has a great interest to many folks on the Hill and across the country.

My first question is: Do you believe that the Bush Administration feels that they have provided a sufficient level of consultation with the Europeans?

Ms. JONES. Mr. Chairman, that is an extremely important question. It is a question that we focus on on a daily, hourly basis. Secretary Powell is on the phone and in meetings with European and other international colleagues on a daily basis.

What, of course, would be even better would be to be able to have face-to-face meetings with all of these people on a daily basis. We haven't quite accomplished that, just because travel takes so long. But the President, the Secretary, others in the Cabinet are very, very aware of the importance of a constant dialogue with our European allies and a constant need to be certain that, even though we think we are being clear about what we mean and we think that we have consulted, that the result of what we think is something that the Europeans are comfortable with.

So we are engaged right now in strategies to enhance and upgrade the kinds of consultations we have with the Europeans because we believe so fundamentally that our goals are identical, and it is simply a question of making sure that the rationale that we bring to accomplishing those goals is as clear to them as it is to us.

Mr. GALLEGLY. Well, you are certainly sensitive then to the subjectivity of that word “sufficient.” Is that basically what you are saying?

Ms. JONES. That is absolutely right.

Mr. GALLEGLY. Are the Europeans justified in complaining that the U.S. cannot continue to call on its allies to share the burdens unless the U.S. is prepared to share in the decision-making as well? Are they justified—you know, some are saying this very vocally.

Ms. JONES. Some are, but I think a lot of the public concern about that is behind us. We are really extremely pleased with the level of dialogue, the level of consultation and the extensiveness of the discussion.

For example, in Operation Enduring Freedom, there are many, many European military units involved in Operation Enduring Freedom. There are many, many involved in the international security assistance force in Kabul, led by the British. And the opportunity for discussion, consultation, joint decision-making is constantly there, whether at Tampa with all of the representatives who are at CENTCOM, the foreign representatives who are at CENTCOM and participate in the planning; whether it is the local commanders working with our troops in Uzbekistan, who move into Afghanistan; whether it be at ISAF. I am impressed with the number of opportunities there are for discussion, consultation and involvement on the part of the Europeans and what is going on on the ground on the military side.

One of the things that I like to emphasize is the breadth of our cooperation. Although the focus tends to be only on the military—the focus in public tends to be so much on the military, it is a bit more dramatic. There is a tremendous amount of consultation, coordination, discussion that goes on, as I mentioned, in law enforcement channels, in intelligence channels, among the Treasury Department, the treasury ministries and finance ministries on all of the other aspects of the war against terrorism, many of which are addressed in UN Resolution 1373.

Mr. GALLEGLY. On another issue regarding Russia, in a December policy memo Mr. Dimitri Galinski Vassiliev of the Institute of World Economy and International Relations at the Russian Academy of Science wrote a rather scathing assessment of the U.S./Russian relations. He wrote, and I will quote,

“Over the past year, Russian president Putin initiated a stream of diplomatic overtures to probably the most unresponsive and self-centered of the U.S. administrations since the Roosevelt era.”

Citing Russia’s outreach to NATO, the closing of Russian military bases in Vietnam and Cuba, accepting a U.S. military presence in Central Asia, conciliatory positions on the ABM Treaty and the possible NATO expansion into the Baltics and the perception that Putin had gotten nothing concrete in return, Galinski concluded,

“The balance sheet of a year of this foreign policy is plainly negative and demeaning for Russia.”

How would you respond to this assessment? And, can the Bush Administration offer President Putin anything substantial that he can use to continue to put a positive spin on the policy of reaching out to the West and especially the U.S.?

Ms. JONES. Mr. Chairman, I would respond in two ways.

First, I think it is a very positive measure of the level of civic society, free media, freedom of speech that he can make those kinds of statements, number one.

Number two, I think he is quite wrong, for the following reasons: First of all, President Putin, I believe, does not agree with him; and most importantly, let me go through some of the evidence of why I believe he is wrong and why I believe President Putin would agree that he is wrong.

President Putin, after September 11th—on September 11th in his discussion with the President and in subsequent discussions with the President made very clear—and it developed through their dialogue—the importance that they attach to focusing on joint goals. Russia’s goals and U.S. goals, indeed the international community’s goals, are really quite the same, and it took 9–11 to focus all of our attention, not just the Russians, not just ours, on the importance of going after the transnational threats, the importance of attacking terrorism, the importance of going after narcotics trafficking, of the ability of criminals to walk across borders so flagrantly.

The benefit that Russia has obtained in working so closely with the United States, I would say, is a benefit that has also accrued to our European allies and to the United States. All of us are better off because we are able to work so much more closely together to counter these transnational threats.

Intelligence exchange, for instance, with Russia is remarkable now, I am told by my colleagues who are very involved in that. We are creating new channels in law enforcement and changing law enforcement information so we can jointly go after common threats.

The attitude that President Putin brings to NATO expansion is basically the following, and it is the same attitude we bring to it: It is a good thing for the world, it is a good thing for Europe, it is a good thing for Russia that there should be greater security cohesion, cooperation in Europe. There is no threat whatsoever to Russia from NATO, and therefore there will not be a threat to Russia from an expanded NATO.

If you look at some of the evidence—at some of the experience, I should say, that, for example, Poland would put forward, the relationship between Poland and Russia has improved since Poland joined NATO for a variety of reasons, not necessarily because it joined NATO. But certainly, that is a fact that I think Russians and Poles and certainly NATO would not argue with.

In terms of the U.S. presence, shall we say, military presence in Central Asia and President Putin’s attitude toward that, in the very detailed discussions we have had with him at the Presidential level but also Deputy Secretary Armitage has had with Deputy Foreign Minister Trubnikov in the U.S.-Russia-Afghan working group, the focus there has been on the importance of closing down the transnational threats coming out of Afghanistan and making

certain that those threats are not allowed access to Russia through Central Asia.

So the kind of work that we are doing in Central Asia, whether it be with the use of some of the Central Asian bases but, more importantly, in going after some of the social, political and economic issues that are a threat to the stability of these countries, that is all in Russia's interest. Just as it is in Russia's interest, we argue, for the kind of work that we propose to do with the Georgians in developing and pursuing a train-and-equip program to help ensure that terrorists that are a threat to Russia do not gain a position in Georgia.

Mr. GALLEGLY. Thank you very much, Madam Secretary.

I would like to recognize the presence of my good friend, the Ranking Member, Mr. Hilliard.

Mr. Hilliard, would you like to make an opening statement, or would you like me to move on to Mr. Bereuter and—that would be your preference?

Okay. Mr. Bereuter, the gentleman from Nebraska.

Mr. BEREUTER. Thank you very much, Mr. Chairman.

Madam Secretary, thank you very much for your oral and your written testimony.

I think that the part of the world for which you have responsibility is the one which perhaps offers us the most complexity, and it is certainly one of the three most important relationships we have. I count it with European countries in general as one and Japan as another and China as still another. These are the relationships that are going to be crucial to our country in this century.

The political geography, the multilateral organization geography, the architecture of the continent has become quite complex, and it grows in its complexity. I think that many Americans have a hard time following that, and certainly many Members of Congress would as well. I think also Europeans oftentimes have a very incomplete understanding of attitudes and issues that are important in this country.

I had been speaking for some time in formal and informal settings about a growing gap in understanding between Europe and the United States or Europe and North America, including the Canadians, with us. Then it seems to me that the long slide in credibility and understanding was interrupted by the events of September 11th, and we have had incredible demonstrations in so many ways, including the implication of Article 5 under the Rome Treaty of NATO which reassured us about their commitment to this international war against terrorism and their support for the United States.

I think perhaps Europeans, in meeting with them lately, do not understand the degree of resolve and unity that exists in this country to conduct effectively a war against terror wherever it exists. Perhaps that is understandable because we were struck most directly, had the greatest number of casualties. But also, I think it may be because European countries, at least some of them—Spain and Britain and Turkey come to mind—have had a long and continuing experience with terrorism in their own countries. So they have not become complacent about it. But it is not as much a sharp change in attitude as the American public, because we thought, ap-

parently, in large part we were invulnerable to attacks on our homeland.

That was never the proper message to take, but the American audience now understands that.

There is so much I appreciate about your testimony. I want to commend the Administration for its initiative in Georgia, for example. I think you explained very well why it is in our interest, it is in Georgian interest, it is in the Russian interest that we are involved in that way. It would appear to me, in that neighborhood, this is an opportunity for Russia and the United States to try to bring themselves together for a peace settlement involving Azerbaijan and Armenia, where strife has festered too long over Nagorno-Karabakh and other parts of that region.

I do think also the time has come when you will find a positive attitude about the repeal of Jackson-Vanik. I made an effort some years ago and ran into a buzz saw, but the American Jewish community, I am told now, at least significant organizations, recognize that we need to move on from that, because the elements that it was to address, particularly immigration, no longer exists as they did with the Soviet Union. I think you could expect a positive and a bipartisan reception to an initiative, or perhaps one will emerge on the Hill, and that the Administration can support it.

The thing that I note most often—which I think is an irritant to our relationship, which is gradually reemerging, I am sorry to say—is the attitudes and almost anti-American attitudes of some of the largest of the media outlets in Europe and one cause of these attitudes is the tremendous gap in our military capabilities. It is a gap that is huge, and it is growing.

Every time the Defense and Security Committee of the NATO Parliamentary Assembly comes here annually for their examination of what our Defense Department and other related agencies are doing, they come away depressed with how far they are lagging. With the President's new budget emphasizing research and development, it has every appearance that that gap will widen. And so Americans, as hopefully constructively critical friends on the sideline; wonder if we are going to make any progress on DCI in Europe, wonder if in fact the development of the ESDP within the European Union is going to mean increased defensive capabilities. Is it going to mean that they are going to be able to more constructively participate in peacekeeping and other Petersburg tasks or not. Or whether it simply detracts from trying to close the capabilities gap?

Mr. Chairman, I can stop there and wait if for a second round, because I haven't gotten to any questions. I would simply like to share with my colleagues. I will just stop at that point and consider this an intermission.

Mr. GALLEGLY. Fine. I appreciate the gentleman's consideration.

Mr. Hilliard, did you have anything?

Mr. HILLIARD. Yes, I do have some questions.

Madam Secretary, last week I met with several members of a delegation from Europe. It was really a delegation discussing our economic relationship, but they asked several questions that were generally political in nature. One of the ones was regarding their general feeling that Washington does not consult with the Euro-

pean allies in the relationship of the war on terrorism, the Middle East—and especially the Middle East and the American position there and missile defense. This was their perception. This was what they are feeling, and I have been reading also in various newspaper accounts of a similar problems developing. Are you familiar with it? Do you think that there is any truth to it?

Ms. JONES. The question of how much we consult, as we talked about a little bit ago, is really a central issue between us and the Europeans.

In connection with the Middle East, let us take that one, Secretary Powell is on the phone with his European colleagues and especially with the EU High Representative Solana several times a day.

Mr. HILLIARD. What about representatives from France and Germany? Because they were the two most vocal ones.

Ms. JONES. He is on the phone with them as well as with Foreign Minister Vedrine and Foreign Minister Fischer on a regular basis.

But I think the crux of the issue is we believe a conversation is a consultation. It doesn't always result in agreement, and there are times in our conversations with the Europeans—sometimes consultation is code for “you have to do it our way”—we aren't necessarily always going to be able to do it somebody else's way, especially on the Middle East. And let me tell you why, very briefly, even though that is not really my area.

The focus of the President and Secretary Powell, especially in the Middle East, is, as you know, to try to get the security situation under control, to be able to move on to Tenet, to be able to move on to Mitchell. Some of our European allies would like us to kind of skip that part and go right into the political, but we know from the interlocutors that are there, Sharon and Arafat, that this is not possible. They can't move on to the political without addressing the security.

So as much as the Europeans have a perfectly good idea, it is actually not an idea that would work because none of us can force the sides to do something that they don't wish to do. So that is just going to be a constant debate, discussion between us and the Europeans on the Middle East.

Now, as a matter of fact, right now we are very hopeful that we are on a track that is closer, if not identical, with what the Europeans have in mind, with General Zinni having gone back out. I am not briefed on what the latest in his efforts, but his goal is to work very hard with the Palestinian side and the Israeli side to try to get to a stable security situation so that we can move on.

Mr. HILLIARD. Let me make sure I understand what you are saying. Are you saying that really this is more or less information sharing on what Washington proposes to do? Or that there is a sufficient give and take conversation where what we would like to do is discussed, and their ideas are heard and taken into consideration, and based on that we either go forward or make changes or do nothing?

Ms. JONES. Yes, that is right.

Let me give you a couple of examples of situations in which we—

Mr. HILLIARD. Which one is right?

Ms. JONES. That we listen to our—any allies, not just the Europeans, but in this case the Europeans, listen to what they have to say and as much as possible take into consideration what their views are, what their attitudes are.

But I can't sit here and tell you that we are always going to shift to do whatever anybody else wants us to do. That isn't going to happen. But we do listen, and we try to take into consideration.

So, for instance, all of the work that was done last summer and through the fall in Macedonia was very much done in full concert, consultation with the European Union and with NATO, with their representatives. They were in the lead on negotiating the framework agreement in Macedonia. It was an extremely successful negotiation as a result, and it is a partnership that we consider a model on how we could proceed in other instances in which the EU and NATO and the U.S. have such a strong view.

I would argue that the same thing is the case, although I know less about it, in Zimbabwe, consultations we had with the EU on elections there and how to talk about it, how to think about it. The same thing on Montenegro, how to—what sort of attitude we should have about a referendum there is very much in keeping—our position was very much a result of very deep consultations with the European Union.

There are times, though, to get back to the first part of your—or the first option, shall we say, of your question, when people, when Europeans, others, believe we have not given them enough information about what we have in mind, but that is many times simply the result of an assumption that a statement means that we have changed a policy which we in fact haven't changed.

So, for instance, the concern about the President's State of the Union address in which he described our concerns about the development of weapons of mass destruction and Iraq and Iran and North Korea, was—there was an assumption that behind that statement was a radical change in policy, and there was not. So at that point the Europeans say, you haven't consulted with us enough. And we say, there wasn't anything to consult. You know what our views are.

Mr. GALLEGLY. Without objection, we will have Mr. Hilliard make one more question.

Mr. HILLIARD. Yes. Let me make sure I understand what you are saying. Is it any concern of this Administration about the possibility of our allies not really feeling a part of what we are doing?

Ms. JONES. It is a huge concern. I mean, that is why we spend so much time talking with them, mostly quietly, finding opportunities for meetings, so that we can get at what their concerns are, as soon as we know that there is a concern.

I mean, it is genuinely something I spend every day, many hours of the day working on, talking, calling up my European colleagues, either in Washington or in capitols to say, okay, press reports are saying this and this. Let me explain to you what that is all about. Or such and such is going to happen. Here is what is behind it. Or such and such—we are thinking about such and such. What do you think?

Mr. HILLIARD. Thank you.

Mr. GALLEGLY. The gentleman from Michigan, Mr. Smith.

Mr. SMITH. Expanding on, a little bit, on some of your comments on the Administration's decision to have some protection on steel and with the strains in our trade relations with Europe, what is the chances that the problem is going to expand and spread in terms of our trade relations and with the European economic situation if that continues to decline? What is the possibility of looking at other areas with similar protections for this country?

Ms. JONES. I am sorry? I didn't understand the last part of your question.

Mr. SMITH. With the decision—Administration's decision on putting some protection for steel, with looking at the declining economic situation in Europe, what are the chances of other protections on other commodities or programs being implemented to add additional tariff embargoes?

Ms. JONES. On our part?

Mr. SMITH. On our part.

Ms. JONES. Right. On steel, the President's decision is as you have seen it. We are very hopeful that the European Union will talk with us at length about what it is that they may intend to do rather than take precipitous action.

I can't honestly tell you if there are further measures that we may take on—that would affect the Europeans on trade issues. I am just not up enough on trade matters in that kind of detail to be able to tell you that.

Mr. SMITH. Let me ask you about the emphasis that is being given on the Common Agricultural Policy with the EU, and they are meeting again—I mean, 50 percent of their budget, we are told, goes into the effort of the Common Agricultural Policy. What is going to happen in their next parliamentary meeting, and how is that problem going to be resolved?

Ms. JONES. Congressman, I am going to have to get back to you on that. I don't know the answer to that question.

Mr. SMITH. Well, next question. As far as the WTO negotiations to further limit trade subsidies for—especially for agricultural products I am interested in, but all products, can you give me any insight in that area?

Ms. JONES. I am sorry. I can't.

Mr. SMITH. I am running out of questions, Mr. Chairman.

Ms. JONES. I am very sorry. Clearly, I don't know enough about the trade issues, and I apologize—

Mr. SMITH. What about the ramifications of steel with Russia? My understanding is, is—well, it was interesting to me that—to discover that half of our poultry exports go to Russia, and they are already finding some bad parts of our poultry exports. Is that—is Russia backing off of putting some kind of an embargo on some of their imports of our products?

Ms. JONES. There is a very serious discussion under way just this week on the new Russian ban on importation of chicken legs. There were discussions—there have been discussions every day this week between a delegation from the Department of Agriculture and the Ministry of Agriculture, and just today the Deputy Minister of Agriculture told our Ambassador that he has directed that there be a speedy resolution to this dispute. We are very, very hopeful that

there will be a speedy resolution, because we think that the Russian concerns are groundless, that they are——

Mr. SMITH. Well, they are groundless, but it is certainly going to hurt them in the reduction of steel exports to this country, and so their reaction has to be somewhat—they are contemplating something in—I am not sure the word is retaliation but in reaction to the protection tariffs that are going on steel.

Ms. JONES. I am not convinced that one is the reaction to the other, because there is an issue of domestic chicken production as well and market share, so it may not be as tightly connected as one might assume.

Mr. SMITH. You have mentioned the Kyoto Protocol. How is Europe reacting to the Administration's alternative to going with that protocol to be more aggressive in our initiation to look to reduce pollution, especially carbon?

Ms. JONES. Frankly, it is mixed reaction to our response. What we are very much hopeful of is that the Europeans and various other allies will work in parallel with this, that they will accept the line that we wish to pursue and work cooperatively with us to reduce the pollutants.

Mr. SMITH. Thank you, Mr. Chairman.

Mr. GALLEGLY. I thank the gentleman from Michigan.

We are joined with our good friend from Massachusetts, Mr. Delahunt.

Bill, do you—one of the problems that we are running on to, we had a commitment for this room until 2 o'clock, and I know Mr. Be-reuter has some more questions. I have one quick question, but it is certainly your time, Mr. Delahunt.

Mr. DELAHUNT. Well, I will try to be brief.

Madam Secretary, you have been, I am sure, aware of the arrest of three Irish nationals in Colombia back in——

Ms. JONES. Yes.

Mr. DELAHUNT [continuing]. August? What information do you have regarding their activities in Colombia?

Ms. JONES. I am not sure I recall it well enough to provide the detail that you would like. Congressman, may I provide that answer to you later?

Mr. DELAHUNT. Sure.

Recently, we have heard public statements by officials, both in Russia and in France, regarding their concern about action against Iraq. Can you give us some feedback in terms of our consultations with our allies in regards to the expressed concern by the President relative to Iraq?

Ms. JONES. We in fact have engaged in very detailed conversations with members of the security council in Iraq, because the focus continues to be on getting agreement on the goods review list that is required by the end of May in order for there to be an agreement on getting inspectors back into Iraq.

Mr. DELAHUNT. There seems to be the interpretation, I believe, in Europe that the United States is seriously considering some possible military action.

Ms. JONES. Right and——

Mr. DELAHUNT. What is the feedback you have been getting on that?

Ms. JONES. Well, the feedback is worry that—again, as I—and the way I addressed Congressman Hilliard’s question is an assumption that there must be something more behind a statement that worries them than there in fact is, and that is why I answered your question that way. The focus continues to be on getting inspectors back in, on getting the goods review list agreed so that that can happen.

That said, the President remains extremely worried about the states that are developing weapons of mass destruction, the possibility of their being used against the neighbors or falling into the wrong hands and used against us. There is no question that that remains a concern, but it is not a new concern. And that is the discussion that we have with various of our European colleagues, is you haven’t—this is not the first time you have heard this from us.

Mr. DELAHUNT. Well, they must have heard it in different terms because, and I am not trying to castigate or criticize the rhetoric, somehow the rhetoric has escalated the level of concern. We are reading about it. We are hearing about it. There has, I think, developed a sense among some of our allies that a military attack is imminent. What you are suggesting today, that this is a policy that has been in existence, and the focus is on the United Nations, and we are not on the verge of military action.

Ms. JONES. The focus is on the United Nations. Our conditions about weapons of mass destruction have been there for a long time and the possibility of their getting into the wrong hands, into terrorist hands. But as the President says repeatedly as well, and his Cabinet members, is as we see it there is a need to go after additional threats, terrorist threats, we will do that.

Mr. DELAHUNT. Can I just have one final question?

Mr. GALLEGLY. Sure.

Mr. DELAHUNT. You know, and I know that you are Under Secretary for Europe and Eurasia, but since we are on the issue of weapons of mass destruction, let me speak specifically of one-third of the Axis of Evil, North Korea. By the end of the Clinton Administration, it would appear, according to newspaper reports, that substantial progress had been made in terms of an agreement which I believe diffused the situation. We needed, obviously, an appropriate verification mechanism, and I think that was left on the table. Have any efforts been made, that you are aware of, to pursue how to pick up that particular initiative, whether it be public statements or working through third nations or through any kinds of communication?

Ms. JONES. I think it would be unwise for me to try to guess at what the right answer is. I don’t know it well enough, Congressman, to be able to address North Korea.

Mr. DELAHUNT. Thank you.

Mr. GALLEGLY. Thank you, Bill.

One quick question for me, and then we have Mr. Hilliard and then Mr. Bereuter.

It appears that we finally have a government in Kosovo which can begin addressing more of the complicated problems in the area, even though the final status of Kosovo is not under consideration. When does the Bush Administration believe it will be appropriate to begin discussing the final status of Kosovo?

Ms. JONES. We believe that that discussion should take place after there is a government in place, after the international community has turned over the political reins to the government. We think it is premature to do so now.

Mr. GALLEGLY. Thank you, Madam Secretary.

Mr. Hilliard.

Mr. HILLIARD. Thank you very much.

Madam Secretary, in one of your responses to me you talked about the consultation between America and Europe on the Zimbabwe matter. Some time ago there was an agreement made—it was tri-party—between Zimbabwe, England and the United States. The United States and England agreed to pay certain sums of money to farmers who own a substantial portion of land in Zimbabwe. England pays part of the money, and some of the land was redeemed for it on behalf of the country. The United States never paid it, and there were considerable requests for the money to be paid and for an agreement to be fulfilled. It never was.

About 3 years ago, the President of the country then started taking land from farmers, white farmers or farmers who are from, basically, Britain that own the property, and now it has escalated to a violent confrontation. Does the United States and England plan to hold to their agreement, or is it just going to sit back and see what happens?

Ms. JONES. May I get you an answer on that? I don't know the answer myself.

Mr. HILLIARD. Yes.

Mr. GALLEGLY. I thank the gentleman.

Mr. Bereuter.

Mr. BEREUTER. Thank you, Mr. Chairman. I understand we are in close time limits here.

Three points about the reason for the gaps growing, and I think one is that the European Union has made major progress toward integration and the countries have given up major elements of their sovereignty. They don't like to put it in those terms, but that is really what is happening. And they may, therefore, have a very different attitude about giving up elements to multilateral institutions than Americans do.

Ms. JONES. That is right.

Mr. BEREUTER. The second point related to that I think is the fact that Europeans and other countries as well are disturbed about our failure to agree to a variety of international treaties or other types of agreements. But I think, while there are some cases to be made on their behalf from time to time overwhelmingly, we have to recognize that somebody has to be pragmatic, somebody has to pick out the reasonable position, somebody has to occasionally say the emperor has no clothes.

President Clinton and President Bush can't do much to sell a Kyoto Treaty that was rejected almost unanimously in the Senate, at least in its current form.

Two points that you might have a response to. One is mostly a warning, and that is that I think that if you can believe press reports—and that is all I can cite here—there are some substantial amount of weapons flowing to Albanian Kosovars and to Albanian ethnics in Macedonia for continuing to fight there. So I would hope

that we can watch that very closely, assure that the Slavic majority in Macedonia lives up to the promises to integrate fully the Albanians but be worried that the German-led peacekeeping force may need to have immediate help from the United States. Anything you would like to say about that would be welcome.

The second point is on Russia. I agree with you that the relationship is improving and it is deepening and we need to make the points in this country and help President Putin make the points that it is improving and that there are benefits flowing to Russia, but just in the last few days press accounts say that a classified nuclear use document was leaked. I can't imagine any American that wants the best for our country would leak that, but apparently it has, and allegedly it says that one of the countries for which preemptive use of nuclear weapons might be considered would be Russia.

I think that is particularly damaging to our relationship right now; and with the defense minister here in the city at the moment this would be a time for clarification and, if possible, a reconsideration of that policy, if in fact it has been accurately characterized in the media.

Would you like to say anything about the prospects for peace this spring in Macedonia or about this document?

Ms. JONES. Absolutely. Your focus on the flow of weapons in and around Macedonia is very well taken. It is something that we focused on considerably for the past year or more; and it is something that, more importantly, KFOR focuses on in terms of doing everything it can to stop the cross-border traffic.

We also have some very productive, very good conversations with the Albanian government and some border control programming in place in order to help the Albanian government stem the flow of weapons and other material that would not be conducive to furthering peace in Macedonia.

On Russia and the nuclear posture review, I think that the comments that Secretary Powell has made over the past couple of days are very apt in that regard.

The first is to say that this is a planning document. It is not a policy document. It doesn't—it is not a targeting document, so it doesn't say that—it doesn't list which countries are being targeted. None are being targeted right now.

The most important aspect of the whole relationship that we have with Russia on nuclear weapons is the focus that we have on reducing substantially and significantly, dramatically the number of nuclear weapons that we would have in inventory and that Russia would have in its inventory.

You are right. The Russian Minister of Defense is here now, Sergei Ivanov. I have every confidence that in his meetings in the White House with Secretary Rumsfeld and tomorrow with Secretary Powell that this issue will be addressed. It will be addressed thoroughly, and it will be addressed to his satisfaction.

Mr. BEREUTER. Thank you, Mr. Chairman. Thank you.

Mr. GALLEGLY. Thank you, Mr. Bereuter.

We have been joined by the gentleman from Louisiana, Mr. Cooksey. We were about to wrap up the hearing, but did you did you have anything that you would like to add?

Mr. COOKSEY. Just a couple of comments. Thank you, Mr. Chairman.

We are delighted to have you here. I know that at times the relationship with the Europeans has been testy. I think you should remind the Europeans that this is a different Administration, that it is an Administration that really is interested in international relations. This is an Administration that has people who have real depth. It is an Administration that has character and courage.

And, you know, I love Europe. There are certain parts—I would like to go there, but at times they seem to lack courage on certain issues. I won't touch on their character. But I do have a couple of questions.

Some critics of Europe have demanded that the Europeans drop their pointless rhetoric about the U.S. unilateralism and making constructive proposals for countering global threats and challenges. Do you think this is the position of the Bush Administration, or what is the position?

Ms. JONES. The position of the Bush Administration is that we are really very gratified by the level of cooperation and support that we have from our European friends and allies. What I would like to do is not lose sight of how much support and solidarity we have had from them, starting with September 12th with the invocation of Article 5 in NATO. But the number of European military units that participate in Operation Enduring Freedom and in the security force in Kabul is really very dramatic. They participate with us in Central Asia as well.

I would like to—I think what is unfortunate is that a few public statements seem to overtake all of the much more extensive but much quieter kinds of discussions and cooperation that goes on between us and the Europeans, whether it be in law enforcement, in financial transactions, in discussions with the European Union, et cetera. That said, we take very seriously the worries of our European allies that they maybe don't hear enough from us, and we are trying to—it is hard to expand the number of contacts. We are trying to expand the kinds of—or are giving them greater opportunity to air their views as well.

Because it would be very difficult for me, if not impossible, to suggest, for example, that Secretary Powell get on the phone more often with his European colleagues. He is on the phone so much, he would do nothing else if he were to do—if he were to consult with the Europeans—to the extent that they would like to be on the phone with him. It is just a matter of the number of hours in the day.

But what I do in my own conversations is encourage my colleagues to have their ministers raise questions that bother them privately with the Secretary in their conversations and use the phone calls as a way to get into some of the issues that are of concern to them, rather than use them as a quick, what do we do today on X, Y, Z issues?

Mr. COOKSEY. You know, the French have been critical of us at times, more critical more often than supportive, I think, but do you think their public rhetoric and their criticism on things like capital punishment, our Mideast policy, the treatment of the people in Guantanamo Bay, Kyoto Treaty, missile defense—do you think that

that is their true position, or are they doing it for the public, for an audience that they are appealing to? Are they making political statements to promote their own political careers, or do they have the courage to—or the convictions that they really mean what they are saying?

Ms. JONES. Well, on several of the issues you mentioned, for example, Guantanamo Bay, there were some concerns raised right initially with the initial photographs, but those concerns have all gone away since our French colleagues have had access to their nationality prisoners in Guantanamo Bay and have seen the lengths to which the camp commander has gone to be sensitive to cultural and religious issues for the prisoners.

In terms of some of the other issues, for example, there are something like over 5,000 French troops participating in various aspects of Operation Enduring Freedom. That, to me, means a lot more than a press statement here or there.

Mr. COOKSEY. Well, I don't know how to do this, but I think that the Administration or the State Department should subtly, or maybe not even subtly, remind them that there was a period two or three centuries ago when the center of influence in the world was in Europe. And they did some things well, and they did some things that were not so good.

I used to work in Africa a lot, and they mismanaged a lot of their colonies in Africa. I think they mismanaged the colony that we now live in, and thank goodness for crazy King George, and then we got rid of him. But they should be reminded that the center of influence and power, military and economic, is in this country. We want to be their friends, but we can just—I think that a lot of people have a limit as to how much criticism we will take from them.

But you are the diplomat. You are the one who can diplomatically tell them.

Mr. DELAHUNT. That was very diplomatic. You would be a great Ambassador.

Mr. COOKSEY. They have not called me to join the diplomatic—

Mr. GALLEGLY. Unusually diplomatic for the gentleman.

Mr. DELAHUNT. You can be the first Ambassador to Cuba, John.

Mr. COOKSEY. Thank you, Mr. Chairman.

Mr. GALLEGLY. We are joined by our colleague, the gentleman from New York, Mr. Engel.

Mr. Engel, before you came in, we had said we were going to—had a commitment to wrap up at 2 o'clock. So I know you have one quick question you would like to ask, and with the indulgence of the Committee I would yield to the gentleman from New York.

Mr. ENGEL. Thank you.

Secretary Jones, good to see you again.

Ms. JONES. Thank you.

Mr. ENGEL. As you know, as we have discussed in the past, I chair the Albanian Issues Caucus, very concerned with what is happening in the Balkans, particularly in Kosovo. Scores of Albanians are still being held prisoner by Serbia in the wake of the Kosovo conflict. And although groups of prisoners have periodically been released, many are still being held.

Now it is my understanding that, by March 31st, the end of this month, unless the President, under a provision inserted in the law

by Senator McConnell, certifies that Serbia is cooperating with the international tribunal on Yugoslavia at implementing policies respecting minority rights and the rule of law, that no humanitarian or democracy assistance can be supplied to Serbia. And I will summarize.

The International Crisis Group has concluded in a recent report that there is still a myriad of Serbian violations. There is no civilian control over the Yugoslav army. There is organized crime. Yugoslavia continues to work against Dayton by funding the Bosnian-Serb army. They continue to finance and maintain illegal parallel police administrative structures in the north of Kosovo, contrary to UN Resolution 1244; and they still hold at least 78 Albanian political prisoners from Kosovo.

So I just want to say that I don't believe that the President should certify that Serbia has satisfied this condition if the prisoners have not been returned to Kosovo, and I would like to know what the Administration's position on the certification is and its relationship to the prisoners. I agree with Senator McConnell that this provision is important and that the Serbs have not implemented it and therefore the aid should not go to them.

Ms. JONES. On the question of certification, we are pushing very hard for increased cooperation, additional cooperation with the International Criminal Tribunal in the Hague. We agree that it has been insufficient but are very hopeful that cooperation will—the level of cooperation will be increased to allow certification.

On the question of the prisoners, we are working very hard since the triumph of the DOS coalition to push for the authorities to release, and have finally succeeded in pushing for the release, of 1,800 ethnic Albanian prisoners from Serbian jails. The numbers that you—our numbers are maybe slightly different from the ones that you have, but they are in the same ballpark, and what we are working on now is to encourage—to continue to encourage the turning over of a large number of files by the Serbs and are hoping to discuss this issue in Belgrade with Dr. Chovich on March 14th and are hoping for some progress at that time.

Mr. ENGEL. Okay, and in light of the Chairman's admonition, I won't pursue, but I really think that the law, as inserted by Senator McConnell, I don't think that the President should certify that Serbia satisfied the conditions if the prisoners are not returned. I think that is very, very important.

I thank you.

Thank you, Mr. Chairman.

Mr. GALLEGLY. Thank you, Mr. Engel.

I would add, without objection we, the Committee, would like to present some additional questions for the record that could be answered. And, I would invite my colleagues on both sides, if they have any, to direct them to the Assistant Secretary, and her questions and answers will be made an official part of this hearing.

Ms. JONES. We will do so.

Mr. GALLEGLY. Assistant Secretary, I want to thank you again not only for being here today but your ongoing accessibility to the Subcommittee, your input is invaluable, and the relationship we have been establishing is one that I am very pleased with. Thank you very much.

The Subcommittee will stand adjourned.

Ms. JONES. Thank you, sir.

[Whereupon, at 2:21 p.m., the Subcommittee was adjourned.]

A P P E N D I X

MATERIAL SUBMITTED FOR THE HEARING RECORD

FOLLOW-UP QUESTIONS SUBMITTED BY THE HOUSE SUBCOMMITTEE ON EUROPE, COMMITTEE ON INTERNATIONAL RELATIONS, TO THE HONORABLE A. ELIZABETH JONES, ASSISTANT SECRETARY, BUREAU OF EUROPEAN AND EURASIAN AFFAIRS, U.S. DEPARTMENT OF STATE, AND RESPONSES

Question:

Jessica Matthews of Carnegie, writing in Foreign Policy magazine last year, stated that U.S. policymakers were so blinded by Europe's shortfalls in the security realm that they consistently underestimated the historic developments the EU has undertaken in the economic and political spheres.

Do you share this assessment?

Do you believe the U.S. Mission to the EU in Brussels is adequately staffed and prepared to deal with the fundamental changes taking place in Europe?

Answer:

U.S. policymakers have been acutely aware of the historic changes taking within the economic and political spheres of the European Union (EU) and its member states. We have expanded the scope and subject matter of our consultations with the EU in step with the expansion of the EU's own mandates and activities. European integration accelerated in the late 1980's when the European Community launched its single market initiative of free movement in goods, people, services and capital. In 1990, we initiated regular summit and ministerial meetings and formalized sub-cabinet economic consultations. The Maastricht Treaty of 1993 added a second pillar, Common Foreign and Security Policy, to the EU's longstanding first pillar of economic and trade activities. This treaty also provided for establishing the EURO as an eventual common currency among EU member states. In 1995, we launched the New Transatlantic Agenda, a broad and multi-level system of consultations which encompass trade and development, global issues such as terrorism, transnational crime, narcotics and HIV/AIDS, regional foreign policy challenges around the globe, and the encouragement of people-to-people dialogue.

The Amsterdam Treaty of 1998 added Justice and Home Affairs, including law enforcement, as a third pillar of EU activity. The U.S. quickly sought to open discussion and explore ways to cooperate. We have markedly accelerated our engagement on this third pillar since the events of September 11, 2001. The Amsterdam Treaty also authorized the naming of an EU High Representative for Common Foreign and Security Policy. Senior Department officials, including the Secretary, have several contacts per week with the EU's High Representative, currently Javier Solana, as well as the foreign minister of the country holding the EU Presidency and the Commission.

The U.S. Mission to the EU in Brussels is staffed by 53 direct hire U.S. officers who represent a dozen U.S. agencies. The Mission is about 50 percent larger than it was ten years ago. The staff includes a sizable economic section and representatives of USTR, Commerce and the Department of Agriculture, who are devoted to advancing U.S. commercial and economic interests. The political section has added additional officers and agencies as the scope of our relations with the EU has expanded. I believe that the Mission is adequately staffed at present. As the role of the European Union evolves, we will continue to review staffing to ensure adequate resources and the right mix of personnel to protect and advance U.S. interests.

Question:

Jessica Matthews of Carnegie, writing in Foreign Policy magazine last year, suggested that one way to improve relations with Europe was to recognize that NATO

is no longer the most relevant European institution. America's European experts, who are NATOists rather than Europeanists, should be replaced with a generation that no longer sees Europe through that narrow lens. Do you believe this assessment accurately describes the situation at the Department of State.

Answer:

The Department of State recognizes and welcomes the increasing cohesion and growing significance of European institutions, most prominently the European Union (EU). Relations with the EU are important, most evidently on trade issues, but increasingly on political and security issues as well. The State Department devotes considerable resources to working as closely and cooperatively as possible with the EU.

NATO remains, however, the pre-eminent transatlantic institution with membership spanning North America and Europe, essential to global security and stability. Over the past decade, NATO has engaged in a continuous process of adaptation, adjusting successfully to new security challenges. This process of transformation continues. NATO is at the vanguard of the effort to make Europe whole and free. Three former Warsaw Pact members joined the Alliance in 1999. Additional prospective members will be invited to join NATO this year. NATO's Partnership for Peace has brought 26 European and Eurasian countries into cooperative and productive relations with NATO. NATO will forge a promising new relationship with Russia to advance the cause of peace and cooperation in Europe and beyond. September 11 both reinforced the NATO's indispensability, but also underscored the need for NATO to develop new capabilities to address the problems of global terrorism.

Question:

The EU's Common Agricultural Policy accounts for 50% of the EU budget and is a major stumbling block to EU Expansion. How productive will the upcoming "EU Convention" be in addressing the issue of the EU's Common Agricultural Policy?

Answer:

- The EU Convention has only just commenced and its potential scope is broad, focusing on institutional and decision-making issues.
- In the context of Agenda 2000, the mid term review in 2003, and reform of the Common Agricultural Policy before 2006, we would hope that Europe would work toward substantively reducing trade distorting domestic support issues.
- In January the European Commission put forward its proposal to phase in direct agricultural subsidies for new EU members. This proposal must be approved by EU member states before negotiations can commence with candidate countries; this is not expected to begin until later this year.
- We want the EU to participate in a positive way in the WTO agricultural negotiations where we are seeking additional disciplines on trade-distorting domestic support as well as meaningful market access.

Question:

What are the prospects for a WTO agreement to further reduce agricultural export subsidies? Can such an agreement be used to leverage the EU to compromise on a negotiated compensation for the WTO Foreign Sales Corporation Tax ruling?

Answer:

- Our views are clear, WTO members should work toward eliminating export subsidies, improve market access, and increase disciplines on trade-distorting domestic support payments.
- The negotiations may be difficult, not only with respect to agriculture, and countries will have to engage in and evaluate a comprehensive package of trade arrangements.
- Both the U.S. and the EU have made plain that the FSC/ETI dispute should not be linked to disagreements elsewhere and this issue is not on the agenda of the new WTO round. Of course, we will defend our interests and intend to comply in such a way as to ensure a level tax field for American business.

Question:

In 1997, the U.S. launched the Northern Europe Initiative (NEI) to promote stability, trade, and investment among 11 nations or parts of these nations in the Baltic Sea region. What is the Bush Administration's current view on the NEI? Are you actively supporting regional cooperation in that area?

Answer:

- This Administration fully supports the Northern Europe Initiative (NEI), which remains an integral part of our overall strategy in Europe. NEI's objective is to help integrate the Baltic states, Russia, and Poland into the new Europe and to further strengthen our relations with our Nordic partners and Germany through cooperation in the Baltic Sea region.
- NEI has provided the framework for a variety of regional programs implemented by U.S. government agencies, international organizations, and NGO's. Our resources and engagement are used to address concrete problems in the region—like HIV/AIDS, TB, pollution, corruption, and trafficking in persons. At the same time, our programs help forge links across this important region that contribute to stability and prosperity.

Question:

Ukraine will hold elections for parliament in a little over two weeks. Is the Bush Administration following these elections? How does the Administration view these elections in terms of importance to our relationship with Ukraine?

Answer:

These elections will be a gauge of Ukraine's commitment to democracy. We are providing approximately \$4 million in election-related assistance to Ukraine. We are supporting efforts by the National Democratic Institute, the International Republican Institute, the National Endowment for Democracy and other NGOs to train tens of thousands of local election observers and to educate and mobilize Ukrainian voters.

We have used high-level contacts over the last two months to underscore that this election presents Ukraine with a key opportunity to improve relations with the U.S. by showing it is back on a democratic path. Senior USG officials, including Under Secretary of State Dobriansky, have emphasized to President Kuchma and other leading Ukrainian figures the need to ensure that the election campaign as well as election day itself are free and fair. This entails addressing the abuse of administrative resources and other disparities cited by both domestic and international election observers.

Question:

What is the Bush Administration's policy toward promoting nuclear safety in Ukraine and Russia? Are we funding the Nunn-Lugar program at its optimum?

Answer:

- We are committed to addressing the problem of high-risk Soviet-designed reactors in operation.
- Our policy goal is closure of the least safe reactors, improvement in the safety of operation of existing reactors and strengthening nuclear regulators.
- The President has consistently stressed that preventing the spread of weapons of mass destruction, weapons technology, expertise and other weapons is our highest priority.
- Total security-related assistance for the Eurasian states for FY 2002, including supplemental funding, is just over \$ 1 billion for the Department of Defense Cooperative Threat Reduction ("Nunn-Lugar") program and the Departments of State and Energy nonproliferation programs.
- The FY 2003 Budget request at over \$ 900 million for these programs continues to reflect the high priority we place on such non-proliferation assistance efforts.
- The administration is currently seeking a legislative change to gain waiver authority in the supplemental funding for Cooperative Threat Reduction and Title V of the Freedom Support Act to address concerns about Russian compliance with the chemical and biological weapons conventions.
- While seeking waiver authority, we will continue to work intensively at senior levels with Russia to resolve our concerns with its arms control behavior.

Question:

Does the Bush Administration support restoring normal trade relations with Yugoslavia? Are there any restrictions on this effort?

Answer:

The Bush Administration fully supports the overall goal of restoring normal trade relations (NTR) with the Federal Republic of Yugoslavia (FRY) as part of the effort

to reintegrate the FRY into the economic mainstream. At the same time, there is one legislative restriction that must be addressed prior to extending NTR to the FRY. Enacted in 1992, P.L. 102-420 withdrew most-favored-nation status (now known as NTR) from goods that are the product of Serbia and Montenegro. The law was designed to force the Milosevic government to cease its armed conflict and its policy of ethnic cleansing against various groups in the Balkans. It specifically sought to compel Milosevic to respect the borders of the republics of the former Yugoslavia and to cease its support of military forces in Bosnia. The law provides for the restoration of NTR upon a certification that Serbia and Montenegro have, *inter alia*, ceased all support of Serbian forces inside of Bosnia. The President has delegated to the Secretary of State the authority to make this certification.

It has been impossible to certify up to this point because the law specifically provides for a finding that "all" FRY support for Serbian forces within Bosnia has been stopped, regardless of whether such support may now be provided in a manner that is consistent with the Dayton Accords. It is important to note, however, that the FRY Government has announced that as of March 1 it would no longer provide support to the VRS. We are in the process of evaluating this development.

In addition, we believe that today's reality in Yugoslavia is much different than that which prevailed at the time the legislation was written. In particular, armed conflict and ethnic cleansing have now ceased, Milosevic was extradited to the Hague, the Yugoslav government has full diplomatic relations with its neighbors, and the reformers in Belgrade are attempting to solidify democratic and economic progress, a process we are supporting fully.

Question:

Does the Bush Administration support European Union's interest in taking over the international policing role in Bosnia and the military's Amber Fox operation in Macedonia?

Answer:

BOSNIA: The U.S. supports the decision of the European Union (EU) to sponsor an international police mission in Bosnia as a follow-on to the UN's International Police Task Force (IPTF) which will complete its core mandate in December 2002. The EU Police Mission (EUPM) will focus on advising and mentoring the mid-to-senior levels of Bosnian police leadership, and raising the level of professionalism and accountability of Bosnian police forces. At the same time, the EUPM will be complemented by a comprehensive program to restructure and improve the Bosnian judicial system.

MACEDONIA: The European Council announced in the conclusions from its March 15-16 Barcelona summit "the EU's availability to take responsibility, following elections in FYROM and at the request of its government" for a follow-on to NATO's Task Force Fox "on the understanding that the permanent arrangements on EU-NATO cooperation ("Berlin-plus") would be in place by then." Elections in Macedonia will probably take place in mid-September 2002. If a follow-on to Task Force Fox is necessary, the U.S. is open to the possibility of an EU-led force under the circumstances stated in the European Council's Barcelona conclusions.

Question:

The U.S. waived section 907 of the FREEDOM Support Act for FY 02 in order to provide assistance to Azerbaijan to combat terrorism. What kind of assistance has actually been provided? Will the Bush Administration ask for another waiver for FY 03 or is the Administration seeking to end section 907?

Answer:

Assistance provided to Azerbaijan to date under the waiver follows:

An Assistant U.S. Attorney has been authorized to travel to Azerbaijan the first week in April to provide assistance and guidance to the Government of Azerbaijan in the drafting of anti-terrorism legislation. A group of Azerbaijani officials attended a conference on "The Role of the Public Prosecutor in a Democracy" in February. Another such group attended a conference on international money laundering in March. Both these conferences took place at the International Law Enforcement Academy in Budapest, sponsored by the Office of Overseas Prosecutorial Assistance and Training of the U.S. Department of Justice.

On March 11, 2002, the USDA authorized the granting of \$10 million in export guarantees under the GSM-102 and Supplier Credit Guarantee Program, through the International Bank of Azerbaijan.

The budget for security assistance to Azerbaijan in FY02 is \$10.5 million. This includes: FREEDOM Support Act (FSA) Export Control and Related Border Security and other nonproliferation assistance programs (\$3.1 million); Nonproliferation Anti-

terrorism, Demining and Related Activities (NADR); and DoD resources. The security budget also includes a grant of \$4 million each for Azerbaijan and Armenia for Foreign Military Financing (FMF) and \$400,000 each of International Military Education and Training (IMET) funds. The Administration is in the process of removing both countries from the ITAR list so they may receive this FMF and IMET programming. The Defense Department will have its first-ever Bilateral Working Group (BWG) with Azerbaijan in Baku March 27–28. The BWG will discuss the programming of U.S. security assistance to Azerbaijan and lay out the menu for defense cooperation for the rest of the year.

In the law enforcement area, a team led by the State Department's Bureau of International Narcotics and Law Enforcement and including FBI, DEA, Justice and Treasury elements conducted a technical assessment in Azerbaijan from February 5–8, 2002. The team recommended assistance in areas including forensics, counter-narcotics training and police academy development, financial crime and money laundering, training and equipment for the maintenance of criminal records training and equipment for the maintenance of databases on fraudulent passports and counterfeit currency, and training on countering organized crime. The U.S. Embassy in Baku is drafting a Letter of Agreement which details the conditions under which this assistance will be provided to the GOAJ. Once all parties have signed, assistance programs will begin one to two months later.

On January 28–30, the Justice Department performed a separate assessment of the criminal justice system in Azerbaijan to assist in determining what type of law enforcement and rule of law programs could be provided. The assessment recommended the USG consider programs that: 1) focus on the judiciary; 2) assist in the implementation of the new criminal and criminal procedure codes through the conduct of training programs for judges, lawyers, prosecutors and police; and 3) reform the training of police to increase professionalism. The assessment also recommended the inclusion of GOAJ officials in regional and ILEA programs to expose them to the reforms and practices of their neighbors.

The Treasury Department's technical assistance, tax, budget and debt assessment teams visited Azerbaijan in February. Treasury is considering assistance that could provide technical expertise on: 1) assistance in financial intelligence to monitor the banking sector, thereby improving GOAJ capacity to track financial flows supporting terrorist activities; 2) Government Debt Issuance and Management; 3) modernization and anti-corruption measures in the taxation system; and 4) modernizing the budget process for the GOAJ. The Office of the Assistance Coordinator for Europe and Eurasia and the U.S. Embassy in Baku are working with Treasury to prioritize these various program concepts, and will ensure coordination between Treasury and USAID in the banking sector.

The Administration believes that U.S. interests will require the continuation in FY 2003 of the types of assistance covered by the waiver of section 907.

The Administration continues to oppose section 907 in principle.

Question:

The United States is about to provide military assistance to Armenia. Yet Armenian military forces continue to occupy a large segment of Azerbaijani territory. Does the United States condone Armenian military occupation of Azerbaijani territory? Can you assure this Committee that no U.S. military assistance will be used to train Armenian military units currently inside Azerbaijani territory or Armenia units scheduled to go to Azerbaijan?

Answer:

The United States supports the territorial integrity of Azerbaijan. As a co-Chair of the OSCE Minsk Group, the United States is actively committed to facilitating a comprehensive, mutually acceptable settlement to the conflict between Armenia and Azerbaijan over Nagorno-Karabakh.

With the waiver of Section 907 of the Freedom Support Act, the United States will be able to increase engagement with Armenia on a variety of fronts, including military, counterterrorism, counternarcotics, and law-enforcement cooperation. We believe our increased cooperation in these areas will lead to enhanced stability in the region.

We plan to expand bilateral military cooperation with Armenia. This plan will not include training and equipping Armenian military units inside Azerbaijan nor be conducted in a manner that could destabilize the region. The U.S. Government also has no plans to conduct a Train and Equip program in Armenia.

The Armenian Defense Minister visited Washington March 20–21 for the first U.S.-Armenia bilateral defense consultations with DOD. During his visit, the United States and Armenia signed a joint statement of cooperation that would focus U.S.

assistance in three areas: professional military education, developing an enhanced and interoperable communications system, and expanding Armenia's peacekeeping capabilities.

Our assistance will be an expansion of our on-going efforts to promote stability in the region. We have emphasized to both Armenia and Azerbaijan that new assistance cannot be used to destabilize the uneasy cease-fire between them, and that we will use it to promote peace between the two countries.

Question:

As you know, the Greek Orthodox theological school in Halki, Turkey was closed in 1971 by Turkish authorities thus depriving the Ecumenical Patriarchate of any adequate means to educate its clergy in Turkey. Can you update the Committee on any attempts by the U.S. Government to help convince the Government of Turkey to reopen the theological school of Halki and to allow the Patriarchate to carry out its religious mission in Turkey?

Answer:

This Administration and the Department of State are committed to promoting freedom and tolerance for all religions abroad. We recognize that reopening Halki Theological School, and thereby ensuring the education of future generations of Orthodox clergy, is of great importance to millions of Orthodox Christians around the world, including in the U.S. Both President Bush and Secretary Powell told Ecumenical Patriarch Bartholomew during his visit to Washington on March 5 that the U.S. supports the reopening of Halki Seminary. We have repeatedly raised this issue with the Turks. Secretary Powell spoke with Turkish Foreign Minister Cem about the Seminary last December during his visit to Turkey. U.S. Ambassador to Turkey Pearson has been actively engaged in trying to find a solution to the impasse as will the new Ambassador at Large for International Religious Freedom. We believe that a solution can be found, and we will continue work toward that goal.

