Thank you, Mr. Chairman. I thank you and your colleagues

for holding this hearing this morning. Mr. Chairman, with

your permission, I would like to use my statement this morning in

view of the importance of this issue, the gravity of some of the

things said, in particular about Administration policy, so that I

may give you as comprehensive a look at this issue as I think it

merits.

I am going to speak on behalf of the State Department

and the Administration. I am joined by my colleague Beth

Jones, who covers overall policy toward Iraq, and including toward

the Iraqi opposition. Ms. Romanowski, from the Department of Defense,

can address our military posture and our security presence

in the area.

I am going to focus in these introductory remarks on two areas.

First, the humanitarian situation in the country, including the balance

between the impact of sanctions and the benefits of the oil

for

food program. I would also like to say a few words on disarmament, prevention of rearmament, and what we expect from what

is called UNMOVIC over the next few months.

Mr. Chairman, the humanitarian situation is a complex subject,

and we are concerned about the recent flow of misinformation and

biased assertions from several sources that has made it difficult to

maintain sight of what our policy really is and what is really happening

on the ground in Iraq. We hope to provide some clarification

today.

U.S. policy toward Iraq has followed a consistent course since the

liberation of Kuwait in January 1991; and whatever you might

have read in the papers lately, there is no sea-change in the offing.

Our policy is based on the objective judgment that the regime of

Saddam Hussein poses a continuing threat to regional peace and

security, which must be contained.

Again, despite what you may have seen in the press, containment

remains a cost-effective and successful policy. U.N. sanctions

are extremely important and must continue until Iraq complies

with its obligations under the Security Council resolutions. Let me

state for the record that we do not expect Iraq to meet that standard

any time soon.

In fact, we doubt that Iraq will take the sensible steps necessary

to obtain the lifting or the suspension of sanctions, as long as Saddam

Hussein is in power. Those sanctions do not target the civilian

population, however, and have in fact never restricted the importation

of basic medicines and food.

The United States has focused on addressing humanitarian

needs in Iraq since the immediate aftermath of Operation Desert

Storm in 1991, when brutal military repression displaced tens of

thousands of civilians in northern Iraq. We responded with Operation

Provide Comfort, a U.S.-led coalition effort that provided food,

shelter, and other forms of disaster assistance on a massive scale.

The coalition also instituted a no-fly zone in the north in 1991,

and another one in the south in 1992. That has contained the Iraqi

military and prevented any repetition of large scale use of force

against civilians. In the Security Council, we have championed the

humanitarian interests of the Iraqi people, and we continue to do

so as we speak. Let me cite a few examples.

In April 1991, we helped shape Security Council Resolution 688,

which demanded an end to Iraqi repression of civilians and provided

part of the rationale for the no-fly zones. In August 1991, we

played a leading role in drafting Resolution 706, which included

the original oil-for-food program, a program Iraq promptly rejected.

Let me repeat that date: August 1991. In May 1995, we cosponsored

Resolution 986, which expanded and fleshed out the oil-forfood

concept. You will recall the tragically slow evolution of that

concept. Iraq rejected that resolution outright for at least another

year, and then slow-rolled it for six more months, so that the first

delivery of humanitarian goods under that resolution did not occur

until March 1997; three years ago. Some critics are attempting now

to portray oil-for-food as part of the humanitarian problem in Iraq.

In fact, it is a solution whose implementation was long delayed by

the Iraqi regime and whose full potential is only now being approached.

In February 1998, we supported Resolution 1153, which expanded

that oil-for-food program to $5.2 billion in oil export revenues

during each six months; over $10 billion a year. In December

1999, we supported Resolution 1284, which removed that ceiling on

the value of oil exports authorized to meet humanitarian needs in

Iraq. That resolution also included numerous provisions to improve

the efficiency of oil-for-food.

I want to emphasize that the need to balance the impact of sanctions

and the benefits of the oil-for-food program is not a new challenge

for U.S. policy. Sanctions were imposed for valid reasons,

have been in place for nine and one-half years, and are likely to

continue for some time. Oil-for-food has been in place almost exactly

three years, during which oil prices have fluctuated, and the

program itself has been constantly reassessed and adjusted. That

process of assessment and adjustment is ongoing, as indicated in

Resolution 1284, and will certainly continue.

Sanctions are not aimed at the Iraqi people. The bottom line is

this. We believe that oil-for-food, properly managed, can effectively

mitigate the impact of sanctions on Iraq’s civilian population for as

long as sanctions on the Iraqi regime remain in effect. Success will

require the U.N. to do the best possible job of administering the

program.

Similarly, Iraq will have to be pressed to do its part, cooperating

with the program, rather than seeking to discredit it, rather than

seeking to circumvent it, and rather than attempting to eliminate

it. Maintaining the proper balance will never be easy, but we believe

it is an achievable result and certainly a result worth the utmost

effort over the long haul.

Criticism of sanctions is understandable. But we believe much of

the recent criticism has been misplaced. In particular, those who

see negative consequences from sanctions and advocating lifting

sanctions as the only solution overlook at least three important

points.

First, the Saddam Hussein regime is among the most brutal and

systematic violators of human rights in modern memory. The most

recent report of the U.N. Special Rapporteur For Human Rights

noted that the gravity of human rights in Iraq has few parallels

since the end of the second World War.

Second, sanctions deprive Saddam Hussein of the financial

wherewithal to pursue his manifest goal of acquiring and using

weapons of mass destruction. Saddam, deploying WMD, would be

the worst imaginable humanitarian outcome for the Iraqi people

and for all the peoples of the region.

Third, lifting sanctions would enable Saddam to rebuild his military

and put his WMD programs on the fast track, but would not

guarantee a better life for the average Iraqi. On the contrary, conditions

for many Iraqis, especially in the north, would deteriorate

dramatically if oil-for-food and the U.N. presence disappeared.

Let me be crystal clear. Providing resources to Saddam Hussein

would not mean relief for the Iraqi people. Conversely, providing

relief to the Iraqi people is not the same as helping Saddam. Let

me explain that.

First, Saddam Hussein’s perennial spending priority is military

development and WMD. It is not civilian well-being. Lifting sanctions would simply enrich the regime and enable it to pursue

Saddam’s spending priorities. Lifting sanctions would not help the

Iraqi people.

Second, we also hear criticism from the other side, from those

who say that oil-for-food is in fact helping Saddam Hussein. Just

as providing more resources to the Iraqi regime, for example by

lifting sanctions, would not benefit the Iraqi people, it is our view

that oil-for-food resources provided to the people do not benefit the

regime. On the contrary, providing humanitarian assistance to the

Iraqi people is essential to maintaining international support for

sanctions on the regime.

Oil-for-food is having a clear and measurable impact. Nutrition

has improved. Per capita intake is up from 1,300 calories per day

before the program began to over 2,000 now, thanks to a ration

basket, the U.N. ration basket, that is augmented by locally grown

foods. Food imports are now at pre-war levels. In the year before

the program began Iraq imported about $50 million worth of medicine.

Over the past three years more that $1 billion worth of medicines

have been approved. Similarly, over a billion dollars worth of goods

for the water, sanitation, electrical and agricultural sectors have

been approved. The impact has been the greatest in the northern

provinces. The reason for that is simple. The U.N. manages the

program there without interference from the regime.

For example, the same UNICEF study others have cited this

morning showed that infant mortality in the north has fallen below

pre-war levels. Yet in south central Iraq, where the Iraqi government

handles distribution of oil-for-food goods, the study has revealed

a disturbing rise in child mortality to more than double the

pre-war level. These numbers show that oil-for-food can meet the

needs of the Iraqi people, if manipulation by the regime can be

overcome.

Let me say a few words about how the United States can make

this program more effective. We have been accused recently of having

too many holds or having the wrong holds on contracts proposed

under this program. Of course there are those in Baghdad,

and I have to say even in the Security Council, who seem to believe

that neither the United States nor any member of the Iraq Sanctions

Committee should put any contract on hold for any reason.

Our goal is to help the oil-for-food program succeed. With that

in mind, we want to approve every contract we can and do it as

quickly as we can. But there is another goal that is equally as important,

and that is to deny Saddam Hussein inputs for his weapons

of mass destruction and military programs. That goal makes a

heavy demand on us, as it can mean the painstaking review of each

and every contract. This is a responsibility we take seriously.

Our rigorous and responsible approach has won plaudits from

some smaller countries in the Sanctions Committee, countries that

lack the resources and the expertise which the U.S. can apply to

this process. It has also elicited criticism from some larger Members

of the Committee which have the resources and the expertise,

but have chosen to turn a politically, or even perhaps commercially,

blinded eye to possible dual-use items included in oil-for-food contracts.

Three Security Council Member States have one-third of all oil for

food contracts. There is an orchestration of complaints about

holds, often joined by those who are motivated for commercial gain.

Ninety percent of these contracts have been approved, but the

number of our holds has mounted over the past year for a variety

of reasons. Some of these contracts lack adequate information, and

we are unable to act on them until we get details from those who

have submitted them.

The program’s revenue has grown as oil prices have gone up.

There is an accelerating flow of contracts that has crowded our review

process. However, it is our view that the holds that we have

put on have had minimal impact on the humanitarian bottom line

to date. Nonetheless, we agree that while we must be vigilant, we

must also strike a balance with legitimate humanitarian concerns.

We are currently examining our contract review procedures to

ensure that they appropriately reflect our twin priorities: maximizing

assistance to the people while denying the regime access to

goods it could use to reconstitute its military and WMD programs.

We are also seeking to enhance the U.N.’s capacity to monitor potentially

sensitive items, such as electricity generating equipment

or water purification plants; to ensure that such items, if approved,

are installed in the approved location and used for the approved

purpose.

Let me turn briefly to the WMD issue. A major portion of Resolution

1284 deals with the creation of UNMOVIC, the U.N. Monitoring,

Verification and Inspection Commission, as a subsidiary

body of the Security Council and a successor to UNSCOM. After

consultation with council members, the secretary general has appointed

Mr. Hans Blix to serve as the executive chairman of this

new body.

My colleague, Robert Einhorn, Assistant Secretary for Non-proliferation,

and I had the opportunity to meet with Mr. Blix shortly

before he took up his duties on March 1. As former head of the

International Atomic Energy Agency, Dr. Blix is fully qualified for

the sizable task he faces, and he has adopted a serious and methodical

approach that seems well-suited to the task. He is currently

structuring his organization and assembling his staff and

will submit an organizational plan to the Security Council in mid-

April.

He will then proceed with lining up potential inspectors with the

requisite technical expertise to resume inspection and monitoring

activities in Iraq. Baghdad, meanwhile, has publicly rejected Resolution

1284 and ruled out the return of U.N.-mandated weapons inspections

teams, but that, I do not think, is the final word. Should

Iraq reconsider, as it has on several other resolutions, and allow

UNMOVIC in, we expect Dr. Blix and his teams to be robust in

carrying out the mission it has inherited from UNSCOM. The

United States will provide all possible support for that.

Thank you, Mr. Chairman. Sorry to go on. I wanted to get all

this into the record.

In Resolution 1284, there were a number of questions

asked of the new executive chairman, particularly with respect

to organization. That is the plan that he will present in, I

guess, about three weeks. April 15th is the deadline for that. After

that plan is presented, if it is approved by the council, UNMOVIC

is up and ready to operate. The only thing inhibiting its operation,

then, in the full sense of the word, would be whether it can do it

inside Iraq.

What stops that right now is the Iraqi government has not accepted,

indeed it has rejected, Resolution 1284. If they were to accept

Resolution 1284, and the council has approved the organizational

plan, then the monitoring and inspection activity could resume

in Iraq just as soon as they were able to get there, which of

course could be any time after April 15th and certainly well before

November.

The council has not actually gotten it yet, Mr. Chairman.

It is hard to predict how that debate will go. It depends on

what is in the plan. The debate for the selection of an executive

chairman, which was the other deadline contained for Council action

in 1284, was easily met and that deadline was satisfied. I have

had some experience with working on the Security Council in these

issues. They frequently do cause a lot of debate.

I would imagine that the other council members have the same

degree of confidence we do in Dr. Blix. The question of organization

is not going to divert attention for that long.

Again, I cannot say. But, typically the council acts

reasonably rapidly on these things. As I said, the only example we

have under this resolution is the selection of the executive chairman.

Most of the debate took place before the nomination. Once the

nomination was received, consensus was easily had.

I would say within a few business days to look at

the organizational plan. I would add, that should be juxtaposed to

what is our estimate of the likelihood of Iraqi acceptance of the resolution

in any near timeframe. That estimate I cannot give you.

That is probably a more important impediment to them restoring

their activity in Iraq.

That is entirely in the hands of the Saddam Hussein

regime.

Yes, thank you, Mr. Chairman. Let me also in my

answer attempt to address some of the concerns that Representative

Conyers raised. First, I think I have a difference with him on

what the fundamental problem is. The fundamental problem, in

our view, is the noncompliance of the Saddam Hussein regime with

its obligations under Security Council resolutions. Because of that

extended noncompliance, sanctions have remained on.

Because sanctions are Saddam’s primary target, the reason that

he has them as his primary target is he wants the money. Because

he wants the sanctions lifted and access to his money again, he will

exploit anything, including the suffering of his own people to that

end. There is a need to address the suffering of the Iraqi people,

but lifting the sanctions is not the answer. It is too dangerous. It

will not work, and we have a better idea.

It is too dangerous, because the reason you have control of revenues

through sanctions is to oblige Iraq to disarm and to prevent

its rearmament. If he gets access to the revenues, you are not going

to succeed at either. It will not work because he does not have any

intention of using these revenues for the benefit of his people. We

have a better idea because, yes, in 1284 there is a whole broadening

of the humanitarian program laid out that can do that more

effectively.

It is meaningful in the sense of maintaining sanctions. Why is

that? Because the U.N. controls that program and Iraqi revenues,

not the regime. As long as that is the case, we will see an answer

which, I will be the first to admit, has been imperfect in the operation

of this program so far, but can be better to the situation on

the ground. Conversely, if you take the other option of lifting the

sanctions, you are not going to succeed in any of those objectives.

Mr. Gejdenson, thank you for your statement, which

I will take as confirming the direction that I indicated that we

ought to go.

I have been doing it for some years—considering our

adversaries on this issue, you get a bit of training. Mr. Gejdenson,

I think at the core of what you said, with respect to the implementation

of our sanctions policy, it ought to be that we find a way to

redress these humanitarian issues while not losing sight of the responsibility

we have not to let this cat out of the bag again.

That is a tough balance to strike. I hear from what you say a

recognition that when we strike it we ought to, if we are going to

hold on something, do it for a valid and important reason. But also

I expect you would agree with me that if we are going to release

on something, we do it with having had some real scrutiny.

The United States is, I think, the only member of the council

that rigorously applies this scrutiny. If at the end of the day we

take some heat internationally for that, frankly, we will have to

bear that, because it is also our responsibility to ensure peace and

stability in this region. That is an important part of our National

security interests.

Frankly, it is hard to say because the degree of their

cooperation with that inquiry process has been so poor.

produce with respect to the numbers of contract holds. It is my

hope, of course, that the numbers go down.

But as I said in my testimony, we feel there is a valid approach

that we have to striking a balance between humanitarian concern

and non-proliferation risks. We want to strike the right balance in

both cases. I think we can make an improvement, frankly. Now, in

terms of the numbers, the number is actually today greater than

800. It is probably more than 1,000. But that masks a lot of different

kinds of issues.

For example, I would say fully a third of that number, that is,

somewhere between 300 and 400, is because when we get a contract,

it will say something like spare parts. You cannot make a

good judgment about humanitarian concern or non-proliferation

risks if the information is incomplete.

Another area is dual-use technology, technology that is specifically

barred from entry into Iraq, unless there is adequate monitoring

on the other end. Right now, frankly, the monitoring is deficient,

because UNMOVIC is not there. That category of holds probably

comprises another 300 or so. There is a great deal of difficulty

in addressing that. That may be a figure we have a hard time coming

to grips with.

Another group of holds would be the ones where, frankly, we sat

around and not had the resources or the intensity to focus on them.

A large part of that is because this program has grown very rapidly.

I was telling one of your colleagues earlier that the full value

of the oil-for-food program was actually attained only in the fall of

1999. Thus, the amounts of contracts and the deposits into the

bank account, the escrow account, have grown logarithmically, and

that has put a strain on our resources.

Secretary Albright has directed that we give more attention to

this, and has directed also that more personnel be provided to the

effort. They are working through that now.

It is an interagency system. That includes people

from the intelligence community, the Department of Defense, the

Department of Energy now. We have gotten them into it because

of certain kinds of contracts that ought to be reviewed by DOE, and

the State Department. In the State Department, there are personnel

from the non-proliferation bureau, which has the main authority

for export-import monitoring and export controls. There are

a couple of people who work on this in my office, and a couple of

people in the Middle East bureau. I cannot give you an exact figure

on the aggregate number in the State Department, but I would say

no more than, would I be right in saying, about ten or so?

I would like to do that. Unfortunately, resources are

a real problem in the department today. I am sure you heard this

from my boss several times, Mr. Smith. We have a deficit of personnel.

What that means, practically speaking, is we have 400 jobs

in the State Department right now that cannot be filled because we

do not have the people. But, yes, this is a high priority. The Secretary has directed that increased resources be given to it. I believe

that will mean that we will do so.

We have pursued this. . .

Thank you, Mr. Congressman, for asking this question,

because there have been numerous references.

If I could just say, though, one thing.

Please permit me just to say one thing. Regardless

of the figures, U.S. policy is not based on finding an acceptable

number of dead children. Mr. Delahunt. Believe me, Mr. Welch, I

am not questioning the policy. I just want to know, if that is an

inaccurate figure, what is the figure? I have an estimate.

We pursued this question with UNICEF. Frankly,

the numbers are hard to know. Causality is hard to prove or to disprove.

The data that seems to be relatively well-established

in their report is on the number of live births, number of deaths

per birth. In the north, that figure is better today than it was before

the war. In the south and central Iraq that figure is worse.

I do not know. That is a new one to me.

But I do want to establish what connection it has

to our policy and to the causality question.

Congressman, I would like the opportunity to provide

in writing an answer with respect to the 5,000 number.

Mr. Smith, I would also like to add an answer, because

I said something while you were not in the room, sir, and it

referred back to a point you had raised. I think your words were,

in looking at this problem of infant mortality, that one dead child

is one too many. I could not agree more with that. What I said to

one of your colleagues was, please understand that American policy

is not based on the calculation of acceptable numbers of dead children.

I feel it is very important as an American official to make

that statement. There are no acceptable numbers.

Audience Member: That is not what the Secretary of State said.

She said that——

Mr. Smith, I have your letter, and we have been

doing a considerable amount of work to get you specific answers to

each of the detailed questions you ask, which are very good questions,

sir. Normally it is my preference to answer such correspondence

before we have hearings on the matter. However, in view of

the importance of this subject, we wanted to come up here and

have a chance to get all our information out in public. We will answer

your letter now very rapidly.

One part of this gets to the high level of holds that you asked

about both in the letter and just now. When we received your letter,

we were in the midst of an internal review of how we administer

the oil-for-food program. Contrary to the headlines in some of

the newspapers that this constitutes an easing or changing of sanctions,

what it is, is a way to look at a more effective administration

of the program. If I could just say a couple of words about that.

First, the responsibility for that is shared.

Iraq should do something. The U.N. should do something. The

Security Council should do something, and the United States probably

should, too. I can only speak and have control over the last

of those things. In response to your question, we have undertaken

this review of how we run the program. I do not know what it will

Mr. WELCH : Yes, sir.

The honest answer is I do not know. The estimates

that UNICEF did where we thought there was statistical validity

were on infant mortality as a percentage of live births. There, I

think I would agree, if I understand the conclusion that Mr. Conyers

was drawing, that infant mortality has increased in South and

Central Iraq during the decade of the 1990’s. It was rightly pointed

out that it has gone down by comparison to pre-war levels in the

North.

UNICEF itself does not, however, assert causality.

Causality is hard to prove or disprove in this situation.

But they have not asserted that these deaths are specifically the

result of sanctions.

We believe that the problem of infant mortality has, however,

been aggravated by the deterioration, in particular in the sanitation

sector. It is our conviction that some of that can be addressed

by better administration of the oil-for-food program, including looking

at those areas where potential dual-use items might be needed

for that purpose.

Let me mention, for example, chlorine. I have done some work

now with UNICEF to check whether their monitoring of chlorine

usage would hold up, because chlorine is a precursor, as you know.

I think we are reassured that, yes, that system is working reasonably

well. But now we need to look at the potential dual-use equipment

more carefully.

No, I would expect that some part of that number

is in the pipeline.

I cannot say. I can provide an answer on that, Mr.

Smith.

I think that one indicator we have, though, broadly

speaking, of the requirements in the medical area is provided in

the Secretary General’s recent report. That report basically says

that the availability of medicines is much improved, with 90 percent

of the needs being met. I cannot say what the criticality of the

remainder would be, and that the more acute needs are now in

other sectors.

No; less than full and fettered access. In the North,

there are numerous NGO’s and international organizations that operate

effectively and easily. In South and Central Iraq, the situation

is far poorer by comparison, especially in South Iraq, where

the government cites security reasons for not allowing international

organizations in. I believe ICRC has finally established a

presence in Basra, but I cannot think of any others at the moment

that have been able to operate down there.

I am sorry, I forgot this. In 1284, the Security Council imposed

an obligation on Iraq to permit that access, because it is cognizant

that it obviously would be better if international organizations

were in there and had a chance to take a look.

Yes, sir.

If I might answer the last first. The answer, Mr.

Sanford, is yes, I do. I am not certain that, that is the exact cost

to the United States.

I think every Administration has agreed that the

Persian Gulf area is of vital strategic interest to the United States.

That since August 1990, the Iraqi regime poses the most significant

threat to peace and security in that area. Therefore, successive Administrations

have felt that this is a price that’s appropriate. I believe

that even were Saddam not there, America would have an interest

in a security presence in that area. Were those all of your

questions?

You asked about whether this is never going to end

in effect until Saddam is gone.

Right. I said I did not expect him to comply.

I do not. That is an objective judgment.

However, if lightning strikes and I am proven wrong, the United

States signed up to these Security Council resolutions, and we will

implement them. I think the answer that I have tried to give on

economic and military sanctions was to draw a distinction here,

which I feel is important.

Because the sanctions provide control of money. If

you lift those and you lose control of those revenues to this

regime——

Yes, sir. I think perhaps in that particular area,

what our presence has done is deter the worst of the depredations

but not all of them. So you are absolutely right. In terms of the effectiveness

of containment, of course everybody has an opinion on

this. Let me offer just the following view. I think that some pretty

strong words have been said about this regime here today.

I would make my own contribution in that regard.

But we do know the leader of Iraq. He has struck

out at his neighbors once every decade with a major war.

The sanctions that have been in place have, at a

minimum, deterred one in this last decade. That is not an unimportant

result.

They are not there to promote insurrection in the

area under their supervision, but to deter the government of Iraq

from using air power against the populations in those areas. In the

case of the southern no-fly zone, they are associated with the enforcement

of Resolution 949, which says that Iraq cannot put additional

forces into that area.

Yes, I agree that there is that risk that Saddam

could do that. We have seen him do it in the past. I am sorry my

defense colleague is not here to talk about the numbers of

breaches, and their character, and how we respond. Let me say

something from my own experience in the past.

I have negotiated several cease-fires with the Kurdish groups in

northern Iraq. I have been to northern Iraq several times myself.

To a person, the population of northern Iraq would be frightened,

dismayed, perhaps to the point of voting with their feet, were an

American presence not overhead. This is something that they

strongly desire, fervently desire. Now, with respect to the no-fly

zone in the south, there is——

Actually, in the North, things are a lot better.

Wherever Saddam can reach, he generally has a

practice of repression.

That is certainly the case in the South. In that instance,

however, I would argue that the no-fly zones help prevent

and deter the worst of the depredations through use of helicopters.

I would also argue that Iraq’s immediate neighbors are profoundly

reassured by the presence of American forces over the skies of

southern Iraq. That is not unimportant to us, in terms of our regional

security interests.

I do not know that I am competent to answer that

question, Mr. Sanford. If you do not mind, I would like to submit

an answer or have the Department of Defense submit its answer

with respect to that. But as I understand your question, it would

be what effect this is having on the Iraqi military.

Yes, sir.

Mr. Ritter has had lots of views. I also understand

he has written advocating the lifting of sanctions. I have expressed

the Administration’s view today on that idea.

So he pretty much covered a lot of ground in his

views.

He did a good job when he was at UNSCOM. I am

sorry he quit when he did, because the job was incomplete. With

respect to his opinions now, he is entitled to have those. I would

have to look at exactly what he said and see whether I agree with

it or not. I do not agree with his idea about lifting sanctions. I

think he wrote an editorial to the Boston Globe about that.

Thank you.