I yield my time, in the——

Thank you, Mr. Chairman. And thank you for

your service. I think the ranking leader and yourself have chronicled

well the events in Georgia.

And I want to welcome the Ambassador. I was in Georgia 3

weeks ago and had the opportunity to meet with your President,

Saakashvili, at length, and separate meetings with your Prime

Minister and Finance Minister, and go to Gori and see the bombing—

unnecessary bombing of civilian residences, the razing of

farms. And we thank you for being here.

I would—I want to ask a very specific question and then step

back to some of the more broad questions.

The funding. I sat down at length with the Finance Minister and

Prime Minister, talking about the type of assistance that they

needed. And I think all of us understand how their GDP has grown

rapidly; the standard of living of Georgians has risen as a result,

and they want to make sure that people continue to invest there.

They have a 22-percent foreign direct investment each year. And

so, it’s the economic side, I think, that they’re most concerned about.

The Prime Minister had a very—he did as good as any government-

relations person here in Washington, presenting his case, and

focused on something called the Phoenix Fund, where, in essence,

they wanted to make sure that—they wanted us to know that our

money was going for direct infrastructure investment, not to their

budget, necessarily. I’ve noticed that our aid is crafted differently,

differently than what they actually ask us to fund. He wanted to

put our billion dollars, if we were able to give it, into a revolving

fund that went for specific infrastructure investment, and having

those who invested in that fund oversee it to ensure that that was

what was occurring. I’ve noticed that you’ve asked for aid that

would actually go directly to their budget. And I’m just curious, I

mean, that’s not what they asked for. I’m wondering, since that

will be the most specific thing that we do in the near term, why

we chose to aid them in this way. And I support aid to Georgia,

but this is not actually what they asked for.

But, I’ve noticed $250 million of our aid was

not going for that, it was going—it looked—it appears to me, based

on what your testimony and others have been, is that it’s going, actually,

to their budget to help with—they were going to use their

own resources for that, and we were going to ensure that our resources

went to infrastructure, per the Phoenix Fund. You all are

investing in a different way.

If you could do that, and if you could explain

how the other funding that’s coming in is complementary to what

we’re doing—I know things around here happen quickly. The wind

blows through and we do things that sometimes aren’t that well

thought out. If you could let us know exactly how all that is working

together—more specifically, why we’re not funding them in the

way they’ve actually asked us to, that would be good to hear.

And, again, thanks for your service.

It’s interesting, Senator Hagel’s line of questioning. And I certainly

am very, very supportive of Georgia, and just, actually, was

stunned by the way they’ve embraced democratic principles and

free enterprise, many of which—many of them were educated here.

On the other hand, you look at—I look at us and Mexico and Canada,

for instance, I look at our active involvement in Georgia and

Ukraine and other places. I look at—I was just in the Czech Re-

public not long ago, and our missile defense system potentially

being partially there and in Poland. And, you know, an undercurrent

of statements could be made that we, in essence, are kind of

sticking a stick in the eye of the Russians. I think Senator Hagel’s

line of questioning was oriented toward, maybe, a lack of active

involvement with Russians.

Just wondering, since you had been there, Ambassador, if you

might help us a little bit with the psyche, from their perspective,

as to what our actions have been in that area.

Are we making—just from what it’s worth, it

doesn’t appear that we’re making much of an effort, if you will,

quote, ‘‘to understand them.’’

Mr. Chairman, since you’re not a gavel-banger,

and I didn’t give an opening statement, I’d like to ask one more question.

What kind of advice are you giving to Georgia

as it relates to South Ossetia and Abkhazia? I mean, that’s not

going to go back in the box. OK? These areas, in the foreseeable

future, are not going to be governed by the country of Georgia. It’s

just not going to occur, it doesn’t appear to me. I don’t think any

rational person thinks that’s going to occur. They want to join

NATO. Part of the NATO requirements are, there are no boundary

disputes within country. Pretty complex problem. What are you—

what are you coaching them to do, and what are they talking about

doing, to resolve that issue? Because it’s not going to return in any

normal fashion anytime soon.

Thank you.