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HOUSE APPROPRIATIONS COMMITTEE SUBCOMMITTEE ON FOREIGN OPERATIONS AND RELATED PROGRAMS

"Policy and Assistance Review for the Countries of the Arab Spring"
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Chairwoman Granger, Ranking Member Lowey, distinguished Members of the Subcommittee: thank you for inviting us to appear before you today to discuss the Arab Spring.

I would like to frame this discussion on individual countries within the broader strategic context of the Arab Spring and address how the previous fourteen months have shaped, and been shaped by, our relationship with the region.

The changes are enormous: four heads of state have been replaced, albeit with transitional figures; two political systems, in Tunisia and Libya, have been scrapped entirely; and in Syria, the Asad regime's brutality against its own people is hastening the end of its rule. But these changes tell us something more about the tectonic shifts occurring at the foundation of governance in Arab countries, and those states that would ignore this new reality do so at their peril. That includes the United States.

We must recognize that the old paradigms of stability no longer work. Arab regimes and citizens now have to reevaluate the sources of legitimacy that once kept stable the pact between ruler and ruled. In the year 2012, it is no longer sufficient or effective for would-be rulers to claim present legitimacy based on their anti-colonial revolutionary credentials, earned decades ago. Nor can many rulers claim legitimacy on the basis of the progress or accomplishments they provided their peoples – in too many cases, these advances were too few, too minor, or occurred too long ago. And in most cases, legitimacy cannot be claimed on the basis of artificial representation and consent – systems steeped in corruption and cronyism too often ensure that the game is rigged.

Authentic public consent to government – transparent, responsive government – is the only source of legitimacy that will foster the free, prosperous and peaceful Middle East that the United States seeks. We see a choice between greater unrest on the one hand or serious reform on the other, and our response is to help governments go down the paths that help them better respond to their people. The new reality in the Middle East means that popular will is increasingly influencing government actions, directly and indirectly.

We do not expect that adjusting to this new paradigm will be easy—for governments or people of the region, or for us. We are embarking on a new era in the region, and our relationships with the governments and people of the region will need to adjust accordingly. And even at this moment of opportunity, we expect there will be bumps in the road. Nevertheless, the people of the region are clearly the ones who are taking the lead, and who must take the lead, if the processes underway are to lead to responsive governments and lasting stability.

And as a result of this new paradigm, we ourselves have to change the way we do business. If we are going to participate with the international community in welcoming, interacting with and shaping the new Middle East, we must be more open to a wider spectrum of opinions and sources of authority, including leaders of Islamist parties and institutions. Today, a greater variety of voices are heard in these countries, and some are being elected legitimately to important political positions. We have entered an era that requires vigorous diplomatic engagement with new political forces in order to ensure that our interests are represented clearly. We must also ensure that our expectations – whether on human rights, Middle East peace, good governance, or security – are clearly understood, and not obscured by the mistrust and sensationalism that flourishes when parties refuse to communicate.

Meanwhile, we recognize that all democracies require certain basics in order to succeed. In any part of the world, democratic players have an obligation to reject political violence and lay down their arms, transfer power willingly, foster a strong civil society, and build institutions and legal frameworks that protect the basic rights of all citizens, regardless of religion, ethnicity, or gender. These are the standards we will use to judge which political actors are credible, and which are not. For that matter, as Secretary Clinton has said, "they are standards against which we should all be measured."

Just as this formula for democratic success remains unchanged in the new Arab Spring context, so too are our fundamental national interests the same. We will continue to defend and protect friends and allies; we will continue to pursue the protection of human rights; we will work with governments to dismantle terrorist networks and address the causes that nurture them; we will pursue prosperity by protecting commercial ties, energy security and the free flow of navigation; and we will strive for a just and lasting peace between Israel and its neighbors. We will seek to advance these other U.S. interests, even as we support political and economic reform.

Likewise, many of the threats to stability remain the same. Arab governments will still have to grapple with an extremely large youth bulge, and some long-stagnant economies will strain to produce new jobs. Terrorists continue to sow instability, cultivating a sense of grievance and disempowerment. The Iranian regime, which continues to repress its own people and facilitate human rights abuses in Syria, hypocritically champions the reforms and transitions underway. But, while these actors remain very dangerous, we believe they are on the losing side of history. They cannot forever deny the people of the region rights, freedoms and a place in the international community.

We have faced daunting challenges over the last 14 months, and I am certain that we will face many more. But I am also confident that our policies and assistance will play a positive role in this period of transition in the Middle East.

Tunisians are rightly proud to have led the region into a new era of more accountable governance, and in our engagement with their transitional government, we have been encouraged by its earnest commitment to fulfill the legitimate aspirations of the Tunisian people. We now have a chance to help Tunisia succeed in its democratic transition, as well as to spark inclusive economic growth and the development of its human capital. By helping Tunisians build a prosperous, democratic Arab country, in which citizens are free to apply honest effort towards achieving a higher standard of living, we will be helping to ensure that the Arab Spring's first triumph remains a model for the region, and that the age of autocratic and opaque control of politics and the economies of the Arab world is increasingly a thing of the past. Tunisia has also shown that it shares our interest in cooperative relations among all of the countries of the Middle East and North Africa region. Accordingly, we must continue to promote Tunisia's increasing participation in the international community and greater cooperation on our regional security and foreign policy goals. It is important that the United States remain committed to Tunisia's success.

Tunisia continues to seek significant assistance to meet both immediate economic stabilization needs as well as promote longer term growth and employment. In response, and in coordination with other governments, we have marshaled a robust assistance package. To date, the U.S. government has committed over \$196 million in foreign assistance to post-revolution Tunisia. This includes a \$71 million package of assistance primarily focused to support long-term economic growth. We will continue to work with the Tunisian government to build its capacity to lead this transition, to support civil society, youth and other key constituencies as they participate constructively in the national political debate, and to support the Tunisian military and civilian security forces' efforts.

We are also committed to the success of Egypt's political and economic transition. Over the next few months, Egyptians plan to draft a new constitution, elect a president, and transfer executive power from the military to the new civilian leadership. In this next critical phase of their transition, Egyptians will work through challenging questions about their political system, including the role of religion in the country, the proper role for the military, legislative oversight, and the role civil society will play. Meanwhile, Egypt's economic problems, exacerbated by a lack of opportunities for Egypt's youth, threaten to derail progress and destabilize the wider region. Despite these challenges, we believe that Egyptians are up to the task, as their free and fair elections for both houses of parliament attest.

The United States wants to partner with Egypt as they take up these challenges. We have been working to build new, productive relationships with all spheres of Egyptian society, supported by assistance initiatives that will be the foundation of our joint future. We recognize that many Egyptians are skeptical of America's intentions. However, it is in everyone's interest, including ours, for Egypt to emerge stable, secure, and economically strong. To that end, we will work with any democratically elected Egyptian government that is accountable to and respects the rights of all Egyptians.

We want Egypt to succeed and we want our partnership with Egypt to endure. Egypt has a lot at stake now as it heads into the final phase of its transition. We want this new government to be able to deliver on the freedoms and aspirations that Egyptians have demanded, and not be saddled by problems that it inherits.

We and the region have a lot at stake too, including a peace treaty that is the underpinning regional security, cooperation on counter terrorism, and the health of the regional economy. We have many concerns about the status of basic freedoms in Egypt, particularly related to the ongoing NGO trial and the status of civil society. We will continue to work with the Egyptian government to resolve and move beyond these problems. We also take very seriously Congress' concerns

regarding Egypt, and Secretary Clinton will soon make decisions regarding our assistance in light of the certification requirements.

Libya, after 42 years under a brutal dictator who ruled by intimidation and force, is now on the path toward a democratic and prosperous future. We welcome the important progress already made in Libya, including the enactment of an inclusive election law and a Supreme Elections Commission, the emergence of a vibrant civil society, and an explosion of free media. Libya has also exceeded expectations in its resumption of oil production, which is approaching 80% of prerevolution levels.

Almost all sanctions against Libya and limitations on Libya's role in the international community have been removed. The UN de-listed the Central Bank of Libya and the Libya Arab Foreign Bank on December 16, 2011, at the request of the Libyan government, and the United States removed its sanctions on those entities that same day. There are now no restrictions on U.S. companies working in Libya. Libya is ready to take its rightful place in the international economy, providing prosperity and opportunities for all its people, and eventually spreading that prosperity to the region.

Just as the United States supported the Libyan people in their uprising against a dictatorship, we support them as they work toward establishing a full and participatory democracy. But transitioning from decades of dictatorship to a democracy is difficult, and we recognize that there are many challenges ahead. We are encouraged by the interim government's statements regarding human rights and stand ready to assist with establishing a strong justice system in the new Libya.

Libyans face other serious challenges, including writing a constitution, bringing the various militias under government control, preventing weapons proliferation and securing borders. They are capable of meeting these challenges, but the international community can and must provide a critical and timely hand in helping Libya grow its capacity quickly to avoid any kind of long vacuum, with the United States playing a role that reflects our core competencies and strong interests.

To that end, during and in the immediate aftermath of the conflict, the U.S. government committed approximately \$140 million in humanitarian and transition assistance, including civil society promotion, assistance in securing and disabling weapons, and provision of training in areas such as transitional justice and border security. Pending Congressional approval, the United States has immediate plans to provide an additional \$25 million in carefully tailored assistance to urgently support democratic transition, a vibrant civil society, democracy and governance,

elections preparations, bilateral trade engagement, civilian security and transitional justice. These projects are needed now to help cement our positive influence in Libya and assist the transitional government and key civil society actors during this formative stage of the transition.

Tragically, Syria's transition has been obstructed by a murderous regime that would rather drag its country into a disastrous civil war than yield to its people's demands for accountability and rights. The litany of the Asad regime's egregious human rights violations demands that the international community speak up, and it is outrageous that the UN Security Council has been repeatedly blocked from fulfilling its role in defense of human rights and from supporting the efforts of the Arab League.

The United States and the broader international community nonetheless actively pursue a political solution to the crisis in Syria and the provision of urgently needed humanitarian assistance to the Syrian people. In Tunis on February 24, as it did in the UN General Assembly the week before, the international community spoke clearly and directly.

The Friends Group echoed the Arab League's November demands that the Syrian government immediately halt all attacks against civilians; guarantee the freedom of peaceful demonstrations; release all arbitrarily detained citizens; return its military and security forces to their barracks; and allow full and unhindered access for monitors, humanitarian workers, and journalists. The regime accepted these demands, but never implemented them. In January, the Arab League further set the goal of the formation of a national unity government followed by transparent and free elections under Arab and international supervision – Asad's departure from power is a part of that process.

We support the efforts of Kofi Annan to engage all sides, end the violence, and seek a negotiated transition, but we believe that meaningful dialogue cannot occur until the regime implements its November commitments to the Arab League. The opposition cannot and will not enter a dialogue while they are under attack from vastly superior regime military forces, and we and our partners will not press them to do so.

We are taking concrete action along three lines: providing emergency humanitarian relief, ratcheting up pressure on the regime, and preparing for a democratic transition.

As an immediate response to the urgent need for humanitarian assistance, the United States is providing \$12 million to quickly scale-up humanitarian efforts,

including support for displaced and conflict-affected Syrians in Syria and in neighboring countries. These funds are supporting emergency health activities and providing clean water, food, blankets, heaters, and hygiene kits to Syrian civilians in need. We will provide more humanitarian support in the days ahead. Trusted humanitarian organizations have prepositioned humanitarian supplies at hubs in the region, and they are poised to distribute this aid as soon as safe access can be arranged. We are engaged in focused diplomatic efforts to secure such access.

As to the second line of action, we will ensure the regime is more isolated than ever. We are increasing the pressure on the Asad regime, it is time for more countries to impose sanctions on the regime and its supporters, as the United States, the European Union, and the Arab League have done - freezing assets, boycotting Syrian oil, suspending new investment, imposing travel bans, and reducing diplomatic ties. We welcome the EU's February 27 announcement of sanctions against the Syrian Central Bank, and we call on those states that are supplying weapons to the regime to halt immediately. For nations that have already imposed sanctions, we are working with these partners to help them enforce their sanctions vigorously and prevent the Syrian regime from evading those sanctions.

The United States, through the Syria Accountability Act and a robust set of executive orders issued by President Obama, already has a comprehensive toolkit of sanctions, which are being applied against the regime. We will continue to ratchet up the pressure on key groups and individuals by methodically and deliberately rolling out designations of additional individuals and entities, especially against those implicated in human rights violations, and preventing the Syrian regime from turning to other financial centers to conduct its activity.

There should be no doubt that Asad's rule is unsustainable. I want to tell the Syrian leadership right now: do not think you can repress and kill and then emerge from international isolation in some years. The majority of Syrians want real change, not phony reforms. Citizens inside and outside Syria have already begun planning for a democratic transition, from the leaders of the Syrian National Council (SNC) to the grassroots Local Coordinating Committees and Revolutionary Councils across the country, which are organizing under the most dangerous and difficult circumstances.

Although the SNC still has weaknesses to remedy, it is by far the broadest and most inclusive of all the opposition groups. It is a legitimate and leading external representative of the Syrian opposition to governments and international organizations. We support its vision of a Syrian state that respects the human

rights of all Syrians and that is governed by rule of law. We will continue to work with the SNC and other non-violent opposition groups and activists to help them build capacity and improve their communications. We urge the full range of opposition groups and individuals in Syria, including representatives of all ethnic and religious minorities, to come together around a unified vision for a peaceful and orderly transition.

We will constantly evaluate what is happening inside Syria and adjust our approach accordingly. But before we consider additional measures, we should first try to implement fully what we agreed to in Tunis. The revolution in Syria unquestionably reflects many elements that we have seen in other Arab Spring revolutions, but the situation in Syria poses a unique set of challenges. Syria is home to a complex mix of ethnic and religious communities. Syria sits at the middle of a complex web of relationships with other countries and actors in the region. Whereas military leaders in Tunisia and Egypt made a choice to stand with the people, this has not yet happened in Syria.

We do not want to speculate about what might be warranted in the future. At this point, we do not believe that the further militarization of the situation is the best course. As Secretary Clinton has said, "There is every possibility of a civil war. Outside intervention would not prevent that -- it would probably expedite it. As you try to play out every possible scenario, there are a lot of bad ones that we are trying to assess." If the regime fails to accept the terms of the political initiative outlined by the Arab League and end violence against citizens, we do not rule out any options. For now, we assess that a negotiated political solution is still possible and is the best way to end the bloodshed and achieve a peaceful transition to democracy, but as the Secretary said in London in late February, "There will be increasingly capable opposition forces. They will, from somewhere, somehow, find the means to defend themselves as well as begin offensive measures."

Finally, before closing, I would like to address the administration's request for a \$770 million Middle East and North Africa Incentive Fund (MENA-IF). The Arab Spring is a unique opportunity, whose stakes are incredibly high – for the region and for us. Over the next few years, there will likely continue to be political upheavals with sometimes-sweeping consequences for U.S. relations and our regional strategy. In the longer term, the region badly needs profound political and economic reforms to tackle the challenges that have always been embedded in their postcolonial governance structures.

The Arab Spring has opened new avenues for those reforms to move forward and address longstanding flashpoints that would continue to feed instability. If transitions fail and reforms do not consolidate and take root, the destabilizing consequences could be grave. We need to seize the opportunity – to secure our interests, to reinforce stability through democratic practices in the region, and to forge new relationships with the peoples of the region. To do so we need to be flexible and able to respond swiftly to new developments and ensure that disillusionment does not set in.

We need to be able to create dynamics – incentives – that promote the right kind of leadership choices in the region over the longer term. From my discussions with counterparts in transitioning countries, there is no doubt in my mind that there is a strong desire to work with us to implement reform. We've designed the MENA-IF to be responsive to those country-led reform movements, with resources that we can deploy in response to credible reform agendas.

We could not have predicted the fast-moving changes in the Middle East and North Africa over the past fourteen months, and we've done our best to reallocate significant existing resources to meet these new needs. It will be equally challenging to predict how the region will look come the beginning of FY 2013. That is why we need this account funded at this level to provide us the flexibility to address the possible paths that the region could take as it evolves over the coming years.

I would like to thank the subcommittee again for holding this hearing, and I look forward to answering your questions.
