THE FUTURE OF U.S.-SAUDI RELATIONS

HEARING

BEFORE THE

SUBCOMMITTEE ON THE MIDDLE EAST AND SOUTH ASIA

OF THE

COMMITTEE ON INTERNATIONAL RELATIONS HOUSE OF REPRESENTATIVES

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THE FUTURE OF U.S.-SAUDI RELATIONS

WEDNESDAY, MAY 22, 2002

House of Representatives,
Subcommittee on the Middle East and South Asia,
Committee on International Relations,
Washington, DC.

The Subcommittee met, pursuant to call, at 2 p.m. in Room 2172, Rayburn House Office Building, Hon. Benjamin A. Gilman [Chairman of the Subcommittee] presiding.

Mr. GILMAN. The Committee will come to order.

The relationship between the United States and Saudi Arabia is deeply troubled and needs to be explored frankly. We hope to be able to advance that process today.

The differences between American and Saudi values are pro-

found. Our interests, too, may come into conflict.

Even before September 11, of course, there were many sources of friction: The near total lack of political and civil rights in Saudi Arabia has troubled many Americans for years as have the lack of religious freedom for visitors or even Saudi citizens who follow non-official strands of Islam, or a religion other than Islam.

Saudi Arabia, while a moderating influence on fluctuations in the price of oil, has nevertheless been the mainstay of an illegal producers' cartel. Saudi Arabia has been unreliable as a base for the U.S. military against Saddam and has not cooperated adequately in the struggle against the Taliban. It is one of only three nations which maintained diplomatic relations with the Taliban. In the past it has attempted to procure weapons of mass destruction in the form of Chinese missiles. There are press reports of continuing concern about its capabilities and intentions in that regard.

Saudi Arabia has been a wellspring of Holocaust denial and virulent anti-Semitism that undercuts our efforts to establish true peace and coexistence among the peoples of the Middle East. The anti-Semitism that is encouraged in Saudi Arabia diverts the attention of the Saudi people from the poor performance of their own government and economy. Tragically, much of the anti-Semitism occurs in the official media and comes out of the mouths of Saudi Government officials.

As we consider these problems, we should, of course, balance the favorable features of our relationship with the Saudis. The Saudi peace plan, flawed as it is, is nevertheless providing an impetus to certain states to rethink their rejection of Israel.

Saudi Arabia was on our side in the struggle against communism and has been a good customer for American goods. Individual Saudis have made important contributions to the United States as immigrants, investors, and religious leaders. And Saudi Arabia actually sells its oil to us at a little below the artificially high world price in order to maintain a market share here, hoping to gain influence.

Actually it is the Asian economies that need Arab oil the most. All other things being equal, America would get its oil from less distant suppliers, minimizing high shipping costs. It is to protect the world's economy and indirectly our own that we have become a guarantor that energy flows from the Persian Gulf. Astonishingly, though, our aircraft are not permitted to use Saudi bases to attack the Iraqi antiaircraft installations that threaten them.

September 11 brought certain other aspects of our relationship with Saudi Arabia into sharp focus. While the Saudis initially cast doubt on the facts, it has developed that 11 of the 19 hijackers were Saudis, as was bin Laden, as are the great majority of those detainees in Guantanamo Bay. Saudi money, official or not, is behind much of Islamic extremist rhetoric and action in the world today. The Saudis poured funds into the madrassahs in Pakistan that spawned the Taliban fighters. They have given, in effect, every potential suicide bomber or other anti-Israeli terrorist a free life in-

surance policy.

The Saudi Ambassador to the United States has said publicly that \$50 billion in corruption may have resulted from the last \$350 billion that has poured into Saudi Arabia. The question of whether the Saudi royal family have been appropriate stewards of the wealth of the Eastern Province, or whether they have squandered it for questionable purposes that would never be supported by their people had they a say in the matter is ultimately a matter for the Saudis to decide. But if the Saudis are spending their money for causes that harm the United States, that is a matter of great concern to our Nation, and we must consider what steps we should be

We look forward to our witnesses for their recommendations, and we are pleased that we have an outstanding panel of witnesses. [The prepared statement of Mr. Gilman follows:]

PREPARED STATEMENT OF THE HONORABLE BENJAMIN A. GILMAN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW YORK, AND CHAIRMAN, SUBCOMMITTEE ON THE MIDDLE EAST AND SOUTH ASIA

The relationship between the United States and Saudi Arabia is deeply troubled,

and needs to be explored frankly.

Although a personal bond has been established between the President and the de facto ruler of Saudi Arabia, Crown Prince Abdullah, the differences between American and Saudi values are profound. Our interests, too, may come into conflict.

Differences in values or interests between nations need not always be a source of friction, but the nature of the U.S.-Saudi relationship and the geopolitical realities mean that our differences may lead to something much worse. It may be that we will become rivals and even come into a form of conflict.

Even before September 11, of course, there were many sources of friction.

- The near-total lack of political and civil rights in Saudi Arabia has troubled many Americans for years. The floggings, amputations, and beheadings meted out to criminals, the lack of religious freedom for visitors or even Saudi citizens who follow non-official strands of Islam or a religion other than Islam, and the lack of transparency in the justice system are matters of grave con-
- Saudi Arabia, while a moderating influence on fluctuations in the price of oil, has nevertheless been the mainstay of an illegal producer's cartel that has increased the price of oil around the world. And Saudi Arabia's willingness to

use predatory practices as its interests required has damaged marginal producers who dare to compete against it.

- The Saudi instinct for stability meant that is has been willing to compromise with the likes of Saddam Hussein, and the Iranians. It has been unreliable as a base for the U.S. military against Saddam. It has not cooperated adequately in the struggle against the Taliban. Of course, it was one of only three nations which maintained diplomatic relations with the Taliban.
- In the past it has attempted to procure weapons of mass destruction in the form of Chinese missiles. There are press reports of continuing concern about its capabilities and intentions in that regard.
- Saudi Arabia is a wellspring of Holocaust denial and virulent anti-Semitism
 that undercuts efforts to establish true peace and co-existence among the peoples of the Middle East. It is clear that the anti-Semitism and anti-Israeli
 rhetoric that is encouraged in Saudi Arabia is a way to divert the attention
 of the Saudi people from the poor performance of their own government and
 economy. Much of the anti-Semitism occurs in the official media and comes
 out of the mouths of Saudi government officials.

As we consider these problems we must of course balance the favorable features of our relationship.

The Saudi peace plan indicated Saudi Arabia's willingness to express openly a vision of a real peace in the area. As flawed as it is, it nevertheless provided an impetus to certain states to rethink their rejection of Israel.

Saudi Arabia, as a conservative regime, was certainly on our side in the struggle against communism.

At varying points it has provided financial backing to the United States.

The Saudis have been good customers for American goods.

Individual Saudis have made important contributions to the United States as immigrants, investors, and religious leaders.

Saudi Arabia actually sells its oil to us at a little below the artificially high world price in order to maintain a market share here. It does so in order to give the impression that we need Saudi Arabia—and to provide product for their refining and marketing investments.

Actually, it is the Asian economies that need Arab oil the most. All other things being equal, America would get its oil from less distant suppliers, minimizing shipping costs. The world needs Arab oil because there is but one world oil market. If, for example, the Japanese economy falters because of a severe disruption in the oil markets, American exporters to Japan will suffer and our economy, too, could go into a recession.

So to protect the world's economy and our own we have become the ultimate guarantor of the flow of oil out of the Persian Gulf. And yet our aircraft are not permitted to use Saudi bases to attack the Iraqi anti-aircraft installations that threaten them. They must take off from other places, whether or not they are more suitable and even if they are less safe.

September 11th brought certain other aspects of our relationship with Saudi Arabia into sharp focus. While the Saudis initially cast doubt on the facts, it has developed that 11 of the 19 hijackers were Saudi, as was bin Laden, as are the great majority of those held in Guantanamo Bay.

Saudi money—official or not—is behind much of the Islamic-extremist rhetoric and action in the world today. Saudis poured funds into the madrassahs in Pakistan that spawned the Taliban fighters. They have given, in effect, every potential suicide bomber or other anti-Israel terrorist a free life insurance policy.

While the Saudis assert they are cooperating on tracing accounts and the finances of terrorist organizations, it is still not illegal to take any amount of cash across the Saudi frontier in a suitcase. Thus, tracing bank accounts will have little real effect on the funding of terror and extremism.

The Saudi Ambassador to the United States has said in public that \$50 billion in corruption may have resulted from the last \$350 billion that has poured into Saudi Arabia. The question of whether the Saudi royal family have been appropriate stewards of the wealth of the Eastern Province, or whether they have squandered it for questionable purposes that would never be supported by their people—had they a say in the matter—is ultimately a matter for the Saudis to decide. But if the Saudis are spending their money for causes that harm the United States, that is a matter of great concern to our nation, and we must consider what steps to take.

Mr. GILMAN. At this time I will call on Mr. Lantos, our Ranking Minority Member, for an opening statement.

Mr. Lantos. Mr. Chairman, first I want to commend you for

holding this long-overdue hearing.

One is really at a loss in dealing with Saudi Arabia as to where to begin. Minimally one ought to begin with the Persian Gulf War. Had we not sent 500,000 American troops to the Persian Gulf, Saudi Arabia today would be the 20th province of Iraq, and one would expect the government to show a modicum of appreciation for the fact that the United States saved the House of Saud. As I indicated on an earlier occasion, had we not done so, the House of Saud today would be a villa on the French Riviera, rather than an important country in the region.

I find of all the many aspects of the society which are so contrary to our values the systematic discrimination against women the single most appalling one. During his recent visit, the Crown Prince, approaching his landing target in Texas, apparently had the plane call for a male air traffic controller to guide the plane down. This is not a society, ours is not a society, that takes kindly to such ges-

tures in the 21st century.

It is a fact of life that the Taliban social system of gender apartheid was adopted from Saudi Arabia, home of the original department for the Promotion of Virtue and the Prevention of Vice. Human Rights Watch says, and I quote,

"Women in Saudi Arabia face pervasive discrimination ranging from strictly enforced gender segregation in public places, including schools, universities and the workplace, to unequal status with men in matters relating to marriage, divorce, and child custody."

It is clear that the American people are profoundly opposed to this pattern of discriminatory treatment of women. We are also opposed to the systematic media pursuit of the most vicious anti-Semitic propaganda to come out of the region. It is systematic, government-approved and nauseating, and it is simply unacceptable. I personally find it appalling that the President of the United States comes under the most vicious and severe denunciation.

If I may close, Mr. Chairman, by quoting from an article by the Saudi Ambassador to London in the Arabic-language daily *Al-Hayat*,

"From the very beginning it was obvious that little George wanted to come out from under the shadow of big George. The truth is that his complex was evident even before he entered the White House when he insisted on introducing himself as George W., as he pronounced it, so that no one would confuse him with his father. His complex became deeper when he needed the help of the old faces of his father's Administration. If we take into account the Freudian problems, of which no family is free, one example of many is W.'s past alcoholism and his father's disappointment with him. Another is the problem of the widespread belief that his younger brother is smarter and more talented than him. We will come to understand that his desire to prove that he has come of age is uncontrollable."

This of the President of the United States, and the Ambassador is still holding his place as the Saudi Ambassador in London. These

are attitudes of arrogance which are nearly incomprehensible, and I think it is high time we recognize that in a society which is free to criticize everything and everybody, at long last Saudi Arabia is subject to the same treatment that any other country and any other institution is.

Thank you, Mr. Chairman.

Mr. GILMAN. Thank you, Mr. Lantos.

Is there any Member who would like to make an opening statement?

Mr. Cooksey.

Mr. COOKSEY. Thank you, Mr. Chairman.

I have no statement to make except that I do not concur with all of the remarks of my colleague who just finished. Thank you.

Mr. GILMAN. Mr. Berman.

Mr. Berman. I don't have an opening statement, but in listening to Mr. Lantos' opening statement, I thought it was a hopeful sign that the Saudi Ambassador was viewing the world through the eyes of Freud, and of a very Western kind of orientation. I don't know if the logical extension of that analysis leads to the role of women in Saudi Arabia, but it was quite interesting.

Mr. GILMAN. Thank you, Mr. Berman. Mr. Rohrabacher, any opening remarks?

Mr. Rohrabacher. Mr. Chairman, I think that this hearing comes at an opportune moment, and I want to thank you, Mr. Chairman, for the leadership that you have been providing in trying to find a peaceful settlement that respects the rights of all people in the Middle East, but a voice at the same time against tyranny and against terrorism which are dual threats to this modern era and should be of concern to all Americans, and a relationship especially perplexing when it comes to what our relationship with Saudi Arabia should be.

I believe the Saudis were very good friends and allies of the United States during the Cold War. That debt, however, does not hold forever, and since the end of the Cold War, I think that there has been a drift. What used to be parallel interests are now drifting in different directions, especially in relationship to the Saudi influence on the Islamic world.

Let me just say that I believe in the last 10 years the Saudis have had a negative influence on peace and freedom in the world, and it is something that we need to talk about, and if they still consider ourselves their friends, we should talk to them about those policies.

But lastly, let me say since 9/11, and since this turmoil has taken place in the Middle East, Mr. Chairman, I believe that the peace plan that has been presented by Prince Abdullah is something that should be seriously considered. I believe what has been presented in the Saudi peace plan is something that should be seriously looked at by all sides, and we must look at this as a major step forward in that the Saudis have agreed that with certain understandings and agreements between the Israelis and the Palestinians, that they would be leading the effort to recognize Israel and to lead other Arab countries to do so. That should not be taken lightly. I think that is an important component of this discussion of our relations that we have with the Saudis.

I look forward to looking into the issues that I just described.

Mr. GILMAN. Mr. Issa, any opening remarks?

Mr. Issa. Mr. Chairman, Saudi Arabia has come under increased scrutiny since September 11, and for understandable reasons. There are many issues that need to be worked on, and there is plenty of room for improvement in our relationship with Saudi Arabia. However, we should not ignore some of the positive things that

have come out of our relationship with Saudi Arabia.

First of all and most currently, the Saudi peace initiative which has had a profound impact on the Arab States, has fundamentally shifted the way Arabs think of Israel. Crown Prince Abdullah has already and continues to pay a political price just for making this proposal. The Saudis have also engaged in serious revisions of their education system since September 11, but more needs to be done. Despite all the talk, the Saudis have not used oil as a weapon. They have kept a tight lock on OPEC. Kuwait has been far more willing to push the envelope in OPEC than Saudi Arabia.

The key to fixing the problems we have with Saudi Arabia is to encourage and engage for more positive and progressive thinkers to emerge within the country of Saudi Arabia. We need constructive

engagement, not heavy-handedness.

Thank you. I yield back the balance of my time.

Mr. GILMAN. Thank you, Mr. Issa.

[The prepared statement of Mr. Issa follows:]

PREPARED STATEMENT OF THE HONORABLE DARRELL E. ISSA, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

Thank you, Mr. Chairman. Since September 11, none of our Arab allies in the Middle East have come under more scrutiny than Saudi Arabia. There is a growing concern among some policy makers in Washington that our Saudi friends are nothing more than strategic allies, who choose to have a relationship with us merely for the purpose of short-term self-advancement. The fear is that Saudi Arabia does not share the same values or long-term interests as the United States, and that this is a relationship of convenience rather than a real friendship.

Mr. Chairman, I will be the first to argue that our relationship with Saudi Arabia could use improvement, and that we need to be more strategically focused on actively pursuing an improved relationship. But at the same time, it would be unwise to ignore the many positive results that have come out of our alliance with Saudi

Arabia.

One of these is the peace proposal made by Crown Prince Abdullah that offered normalization of relations with Israel in exchange for a return to the June 6, 1967 borders. Contrary to what many critics of Saudi Arabia have predicted, this initiative has had a profound impact on the Arab world. It has fundamentally shifted the debate about Israel away from the existential question—whether or not Israel has any right to exist—to how the Arab world will relate to the legitimate state of Israel when, not if, peace is achieved. I believe that we will look back on this initiative 20 years from now and recognize it as the start of a paradigm shift in Arab thinking vis-á-vis Israel. This is a bold step that Crown Prince Abdullah has taken, and he is paying a political price for it domestically. It is a very positive development for American interests in the region and it needs to be recognized as such.

Mr. Chairman, it is important to recognize that there is a serious debate occurring within Saudi Arabia on all the issues that we will discuss today—not only the Arab-Israeli conflict. There are many progressive thinkers in the Kingdom who are gaining an increasing amount of influence in policy decisions. This type of thinking needs to be supported and encouraged. I believe we should avoid heavy-handedness in our relationship with the Saudis primarily because, by doing so, we undermine the efforts of those who are trying to enact positive changes. We need to encourage the Saudis to continue the process of economic liberalization as they look towards eventual membership in the World Trade Organization. We need to encourage the Saudi government to continue its sincere and critical self-assessment of the education system. And as we have discussed so many times in this committee, we need to encourage basic democratic reform within Saudi Arabia. There is still a long way to go toward building the relationship between our two countries, Mr. Chairman. We need to continue that process by through constructive engagement, not rhetorical grandstanding.

Mr. GILMAN. Our first witness today is the Honorable Barney Frank of Massachusetts. He is an important voice on human rights issues in the Congress. Some time ago he wrote our Committee suggesting that the Committee hold a hearing on our current relationship with Saudi Arabia, in which he set out several cogent observations, the gist of which was that our relationship with Saudi Arabia does not help advance our national interests.

We are delighted to welcome Congressman Frank before our Committee. You may proceed. You may give your testimony in full

or summarize it as you see fit.

STATEMENT OF THE HONORABLE BARNEY FRANK, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MASSACHUSETTS

Mr. Frank. Thank you, Mr. Chairman. My thanks to you, the Chairman of the Full Committee, the gentleman from Illinois, to the Ranking Member, the gentleman from California, for having these hearings.

Just as I listened to the opening statements and the range of opinions, I am struck by the wish that we would do this more regularly. This is exactly the role that Congress ought to be playing, airing important public policy debates, not necessarily because there is a decision pending, but, in fact, to bring some genuine level

of thought.

I think we have a seriously asymmetrical relationship with Saudi Arabia. As the gentleman from California said earlier, it was one thing when we were dealing with the Communist threat and there was a geostrategic imperative that was somewhat overarching. In the absence of that, we are suffering from cultural lag. I think we are acting as if we get a great deal more out of the Saudi Arabian relationship than we do, and that we err, in fact, in appearing and

being more supportive of them than the facts justify.

Obviously the Saudi Arabian regime has one of the worst records in the world with regard to human rights. Their lack of democracy, their absolute religious intolerance, their degrading mistreatment of women, all of these are troubling. They are not simply troubling, however, in themselves. Of course they are, but they have an impact on us. I cannot think of anything more appalling than the fact that we send American military personnel to that country primarily these days to protect that country and allow them to be subjected to a form of abusive treatment that we would not tolerate for a minute anywhere else. I salute the American military officer who said that she was not going to take it anymore. We ought to be rallying to her.

They undercut our position. Let me read some excerpts from a recent, very important speech:

"Opposition parties should have the freedom to organize, assemble and speak with equal access to all airwaves. All political prisoners must be released and allowed to participate in the election process. Human rights organizations should be free to visit. If the government truly wants to advance the cause of workers, it will permit trade unions to exist outside of government control. For open trade, we should have a government that is fully democratic which respects the rule of law and where the human rights are protected."

I am reading from President Bush's speech recently about Cuba, and I do not understand why this applies to Cuba and not to Saudi Arabia; and I don't understand how we can go before the world and say, footnote, Cuba only. We will get to China later. How do we make these arguments, legitimately critical of a dictatorial regime in Cuba, and then overlook what is probably worse with regard to Saudi Arabia?

I would ask to put in the record a series of questions and answers—I take that back, a series of questions and nonanswers, with Assistant Secretary Craner, and I don't blame him personally, he was carrying out government policy, for March 4, 2002, when the human rights report was released. The press very diligently tried to get the Assistant Secretary to talk about what we were doing to implement human rights in Saudi Arabia. Lacking bird dogs, subpoena power, and truth serum, they could not get an answer out of him. It is not his fault. The fault is the policy that makes a glaring exception in our human rights policy for this regime in Saudi Arabia. The argument might be okay, but you have to make devil's bargains sometimes.

[The information referred to follows:]

Release of the Country Reports on Human Rights Practices for 2001

Secretary Colin L. Powell and Assistant Secretary Craner, Democracy, Human Rights and Labor Remarks to the Press Washington, DC March 4, 2002

ASSISTANT SECRETARY CRANER: Thank you, Mr. Secretary. I am very pleased to be here with all of you today to release the State Department's 26th Annual Country Reports on Human Rights Practices. It is a special privilege to release the report with the Secretary of State, whom I have watched over the years work tirelessly in public, and now in private, to advance human rights around the world.

The country reports we're releasing today provide a snapshot of the human rights record in almost 190 countries, evaluated within a consistent set of internationally recognized human rights standards and norms. Virtually every aspect of human rights is covered, from transparency in government, to respect for the integrity of the person, to worker rights. The facts are simply and objectively presented for the reader to analyze.

Before I discuss the content of the Reports, I would like to thank all of those who have worked so diligently to produce them. This is a massive endeavor. The work entails thousands of hours in research and information gathering by US diplomats abroad and Department staff here in the United States. Overseas, this information gathering can be hazardous, and US Foreign Service Officers regularly go to great lengths, under trying and sometimes even dangerous conditions, to investigate abuses, monitor elections, and aid individuals at risk.

Additional sources for the report include domestic and international human rights groups, academics, jurists, international organizations, and domestic and international media. Within the Human Rights Bureau, I owe a special thanks to my deputies, to Bill Dilday, who heads the Office of Country Reports, and to his Deputy, Jeannette Dubrow, who ran the office during his unavoidable absence during part of last year. The staff of the Country Reports Office are a dedicated group of people committed to preserving and presenting the facts as accurately and objectively as possible.

Over the last few months, I have heard the worry that the war on terrorism will sideline America's interest in human rights. This is far from true. In fact, the pro-

tection of human rights is even more important now than ever. The US Government

is deeply committed to the promotion of universal human rights and the development of pluralistic, accountable governments.

As the President said in his State of the Union Address, and as you just heard the Secretary say, the events of September 11th necessitate that the international war against terrorism be fought not only to protect our rights and freedoms, but also to promote them throughout the globe. To my mind, this is most evident in Afghanistan, which a year ago was ruled by one of the world's most repressive re-

Liberated from the Taliban, Afghans have come to cherish the lives, society and freedoms they have regained. Women have begun to assume key roles in the political and economic recovery of their country. Schools have reopened for young women, girls and boys. Afghans no longer live in fear of violating some unwritten, arbitrary law of behavior enforced at the whim of the Taliban. There is still much to be done to ensure public security and reconstruct the country, but no one can doubt that 2001 was the year when Afghans began to regain their freedoms.

We have mentioned a few examples of positive steps being taken around the world in the introduction to the Reports. The move towards democratic principles, such as transparent elections and accountable governments, continues. In 2001, we saw democratic political reforms taking root around the globe, from Peru, to Mexico, to

Ghana, Senegal and Serbia.

Still, in our less than perfect world, there is much room for improvement. Some of the world's most repressive regimes, from Cuba to North Korea, have changed little over the past year. But elsewhere, some governments are beginning to understand the need for change to get their countries on a sound economic base, and to

sustain a meaningful long-term relationship with the United States.

This cannot be achieved without the rule of law, accountability in government, and the development of civil society. These are some of the matters we are pursuing in expanding dialogues with a number of coalition partners in the war against terrorism. Our alliance has given us wider avenues of discourse with several countries

where previously we had very limited exchanges.

The Reports were delivered to Congress earlier this morning. They will be posted to the State Department website and be immediately available after this briefing. We appreciate the discussion and debate generated by the Reports. We believe such discourse can only serve to advance the cause of universal human rights. And with that, I'll open up to your questions.

QUESTION: . . . And then also, some of the allies that you've criticized in the report, such as Saudi Arabia, Uzbekistan, could you talk about how this translates into policy? I mean, we support them in financial and other ways, and how does that translate?

ASSISTANT SECRETARY CRANER: . . . On the second question, how does it translate into policy? In a variety of ways. And that is why we try to be as accurate and objective in these Reports as possible so it can be a guide to policymakers. We use them in our diplomatic discussions with them, but we also use them in talking to our allies about the kind of programs we are undertaking in those countries.

So, for example, in a number of countries that we have become more closely aligned with since September 11th, our programs of assistance, democracy assistance, are already ramping up to be able to help civil society, the press and others in those countries to try and make them more democratic.

QUESTION: I'll follow that. Just give us a couple examples what you're doing in

Assistant Secretary Craner: I'll throw out a few examples. In Uzbekistan, we're undertaking a program to help a variety of civil society groups around the country come together to formulate future plans. In Kyrgyzstan, we talk about the press in Kyrgyzstan, and we're going to help fund an independent printing press there, an independent printing press to be able to facilitate the printing of newspapers. Those are just two examples that are coming out of my office. QUESTION: What about Saudi Arabia?

ASSISTANT SECRETARY CRANER: We're getting there.

QUESTION: Lorne, I want to follow up on Saudi Arabia. I'm a little bit surprised by your glib answer. With the demise of the Taliban, there is arguably no government in the world that has as bad a human rights record as Saudi Arabia does, especially when you consider what it does with half of its population. Even North Korea and Iraq don't put their women behind four layers of veils.

What is the United States doing to actively promote democracy and human rights

with Saudi Arabia, on the argument that it's ever more important after 9/11?

ASSISTANT SECRETARY CRANER: Well, I would say two things. Number one, I dis-

agree that it's the worst violator.

QUESTION: Who is the worst violator?

ASSISTANT SECRETARY CRANER: I would place Iraq and North Korea and Libya and a couple of other countries into that category.

Number two, as the President said in this State of the Union Address near the end, in a paragraph that was not as noticed by some as the "axis of evil", we intend to begin working with governments to ensure that people who believe in these values have a voice in their country. That is something that, to the degree the President stated it, is new And that is something we are going to be working any your dent stated it, is new. And that is something we are going to be working on very, very much in the future.

There are a number of countries in the Arab world—there are a number of countries in the Muslim world—that have already, on their own, demonstrated the capacity to begin pluralization and more democratic practices. You see it in Morocco, Jordan, Turkey, to a degree in Indonesia. You are also beginning to see it more and more in the Persian Gulf, in places like Bahrain and Oman and Qatar, which I mentioned in my introductory remarks in the report.

It doesn't mean that they're perfect. You know, all of these countries I just mentioned in the Persian Gulf have a great problem with trafficking, for example. But where people are trying to become more pluralistic and to become more democratic on their own, that is something that I think is worthy of our support and can serve

as an example to others.

QUESTION: You didn't answer my question. What is it that we are doing in Saudi

Arabia to promote that greater voice and greater democratic participation?

ASSISTANT SECRETARY CRANER: We are talking to the Saudi Government about how to do that, and we are going to encourage others in the Muslim world, in the Arab world, who are trying to make their societies more democratic.

QUESTION: At what levels are we talking? I mean, there's nothing that's visible at all to us in the outside world. It's different from in the past.

ASSISTANT SECRETARY CRANER: Okay. I would look at the last paragraph, the last couple paragraphs, of the President's State of the Union Address

QUESTION: But I heard this before. I'm asking specifically about one country. ASSISTANT SECRETARY CRANER: Yes. What are you asking?

QUESTION: I'm asking what it is the United States is doing.

ASSISTANT SECRETARY CRANER: And I think I've outlined that. We're talking to them at many levels about these issues in their country. We're talking to a lot of people across the Arab and Muslim world about these issues in their countries and about how they can serve as examples to others.

QUESTION: Can I go back to Robin's question on Saudi Arabia? You mentioned in the State of the Union Address that the President wanted to support people who believe in our values, to give those people a voice. And in some countries, as menbelieve in our values, to give those people a voice. And in some countries, as mentioned before, such as Uzbekistan, you said that we're supporting or funding programs. In Kazakhstan you mentioned a printing press.

Can you point to any kind of tangible things? And when you say we're talking to the Government of Saudi Arabia, are we talking to them about starting such programs up, or are we just simply mentioning that they have a human rights problem?

Assistant Secretary Craner: Can I talk about tangible advances in particular countries? There are things I would point to. Pakistan's decision to eliminate the requirement that religious minorities be elected separately from the mainstream electoral system. That is something that we have talked to them about for years. Is that something they did?

QUESTION: Is that something we've talked to the Saudis about?

Assistant Secretary Craner: They don't have elections. Is that something that we're doing? Is that something they did because we're allied with them on the war on terrorism? I don't know. But it's something that we had asked them for for a

long time that they have now decided to do.

QUESTION: I'm talking about—and the reason Saudi Arabia is important is because they are a US ally and they are so touchy about what appears-you know, sort of American and Western values, particularly when it comes to women. So when you mention that you're having discussions with the Saudis, I think that—I mean, we'd like to know what specifically do you really plan to do to change things, or are you just going to sort of talk to them and talk to them, and keep ASSISTANT SECRETARY CRANER: No. As some of you know, I don't really enjoy long, extended conversations with no outcome, and we'd be looking for an outcome in the case with any country we were talking to.

QUESTION: (Inaudible) before—that previous administrations have done before on Saudi Arabia. We've been talking for years with the Saudis. What's different?

Assistant Secretary Craner: How do you know that?

QUESTION: Because other administrations told us that they've talked to the Saudis about human rights and democracy issues, participation in women's rights and all of it.

Assistant Secretary Craner: Well, yeah, I understand. Other administrations have talked about these issues. I hope you're gong to see more of an effect from this administration.

QUESTION: But what is it—that doesn't answer the question. ASSISTANT SECRETARY CRANER: What is different currently?

QUESTION: What's different from what this administration is saying to them than previous administrations have said to them?

ASSISTANT SECRETARY CRANER: You'll have to judge by the outcome. You'll have to see how we do it differently.

QUESTION: Why can't you give us some indication? What's the big secret? You talk about what we're doing tangibly in every other country but Saudi Arabia.

ASSISTANT SECRETARY CRANER: Because I don't yet know the effect in Saudi Arabia. I can tell you an effect in Pakistan or I can tell you an effect in Uzbekistan. I don't yet know the effect in Saudi Arabia. And you will have to judge us not by what we say we're doing, but by what is accomplished in these countries.

Mr. Frank. The gentleman from California said during the Cold War, we obviously had to deal with people when survival was at stake that we might not like to. The problem is that we get very little from the Saudis today. We do not get full cooperation when Americans are killed when they are trying to defend the Saudis.

I was pleased to read the subsequent testimony from Mr. Woolsey and Mr. Kristol, and I will not preempt what they say, but with regard to Saudi Arabia, I agree with the thrust of what they have to say. The Saudis have made a kind of deal whereby in return for nothing troubling happening to them within their own nation, they will play a destructive role elsewhere.

They are exporters of hatred, trouble and dissatisfaction. As to oil, yes, they sell us oil; and yes, we buy oil from them. I don't believe that they do this as a favor to us. I don't think the Saudi economy today could long sustain any interruption in their ability to sell oil.

With regard to the question of peace in the Middle East, and I will close with this, I am pleased that the Saudi Arabia Government did this year, in what I suppose will be known in history as the Abdullah-Friedman Treaty, negotiated by the *New York Times* columnist and Prince Abdullah, the Saudi Arabians graciously agreed to accept the fact that Israel exists. Two things ought to be said about this. A year and a half ago when there were serious negotiations going on between then Prime Minister Barak with the help of President Clinton and the Palestinian Authority—at least we were hoping that they would be serious negotiations; unfortunately I think largely because of the Palestinian Authority's position, they were not serious—where were the Saudis then? If it is, in fact, big news that earlier this year, 2002, the Saudis announced that they would accept Israel's existence, obviously that means in 2000 when we were at that critical point, they didn't accept it.

I think it is an encouraging sign that they have come this far. They have moved. That is an encouraging sign. But the fact that that is hailed as big news today reinforces the fact that they were not a constructive force back when that might have had more of an

impact.

I remember being told that part of the problem was that Arafat was being asked to sign a peace agreement when he was not getting support for that in the Arab world. Well, the Saudis appear at that point not to have been supportive. Now they are moving better in that direction. There is still an unwillingness to condemn the anti-Semitism that the gentleman from California talked about,

and an unwillingness to confront the attitudinal problems.

I think we should reexamine our relationship with Saudi Arabia and ask more from them in terms of cooperation against terrorism and human rights. It cannot be credible for us to make legitimate criticisms of the autocratic aspects of the Castro regime, and then treat the Saudi Arabians as our best friends in the democratic fraternity. That undercuts our credibility entirely. We can insist that they treat Americans fairly when they are there, and ask them to be supportive in ways that they have not been in the fight against terrorism, and we can hope that this first tentative step—and one has to understand the attitude of many Israelis. When the simple fact that another nation nearby is willing to admit it has the right to exist is treated as an enormous concession, one understands the context. It is something that is an improvement, and I hope we will encourage it. I don't think that we encourage constructive behavior by indulging unconstructive behavior, and I am afraid that is what our policy has been up to now with regard to Saudi Arabia.

Thank you.

Mr. GILMAN. Mr. Berman, any questions?

Mr. BERMAN. Mr. Chairman, it was a very good statement. I have no questions.

Mr. ROHRABACHER. Mr. Chairman, we will be able to speak with Mr. Frank later, so maybe we should get on with other witnesses.

Mr. GILMAN. Mr. Frank's time is limited. I suggest that we ask

him our questions.

Mr. FRANK. Actually my time is not limited because you guys don't have the votes to pass the supplemental, and we could be here all day. But you do have other witnesses, and I do not want to get in their way.

Mr. GILMAN. Any questions?

Mr. Issa.

Mr. ISSA. Thank you, Mr. Chairman.

Mr. Frank, staying on your subject, I respect your concern about Saudi Arabia. I share that. I have visited Saudi Arabia both as an Army officer and afterwards. I have found it to be a very difficult place to do business for Americans and I don't think that has

changed much.

I share most of your concerns about Saudi Arabia coming late to the party, although among the 22 members of the Arab League, they are not the latest. There are some that have not come yet. Last weekend—and you and I had a dialogue on this on the floor last weekend the Likud Party in Israel voted—their Central Committee, I think that is what it is called, voted not to recognize the right of 3½ million Palestinians not to have a homeland of their own, regardless of the U.N. And the inevitability, and regardless of leader after leader within Israel over now 25-30 years who have

said that there is an inevitability, that these people are not part of Israel, and they have to be given that opportunity, and since Oslo it has been considered the right direction.

In a sense aren't we faced with a certain level of coming late to the party or walking away from the party at the wrong time on both sides of this issue, and how do we keep Saudi Arabia engaged and ask them to do more if Israel seems to be losing its focus on

peace?

Mr. Frank. First, I would not equate what a political party did, particularly when the Prime Minister, who is a member of that party, specifically disagrees with that position. I think what the Likud did was an error, and I think it was not in Israel's best interest. I understand the frustrations that have led people to that, and I do know that since we are talking about history, we should be clear if at any time between 1948 and certainly 1966 the Arab world that you referred to wanted to create a Palestinian state, they could have done that, and no one would have stopped them. Gaza and the West Bank and East Jerusalem, in fact, were under the control of Jordan and Egypt, and they could have done that. I do disagree with what Likud did.

I don't believe that Israel ought to be told that it has to reach an agreement, because it takes two willing parties being willing, mutually accommodating to reach an agreement, but I think it is

in Israel's interest to continue to try.

I have to disagree that there is any kind of parallelism between the rejectionist position that was the Saudi position until recently, and what a political party does in Israel, particularly when all of the members of the government have repudiated it. And I also mention from the Israeli standpoint, they are not dealing only with Saudi Arabia. As you mentioned, Saudi Arabia is not the most rejectionist member. In fact, it has become more accommodating. Although from the standpoint of evaluating Saudi Arabia, being more reasonable than Syria is far too low a bar to set for any country.

Mr. BERMAN. Would the gentleman yield?

Mr. Issa. Yes.

Mr. BERMAN. I am just wondering if the gentleman would want attributed to President Bush, or to himself, all of the positions taken by the National Republican Party, or more particularly the California Republican Party, and resolutions that they have passed over the years?

Mr. ISSA. Reclaiming my time, I think the point is well taken.

But to take it to the next logical question, Saudi Arabia has not been a partner for peace for a very long time at the level that it appears to be today. They are moving in our direction. Yes, it is late to the party. Shouldn't we engage and try to take it to the next level? In your opinion as someone who has looked at this for a long time, shouldn't we do that?

Mr. Frank. Yes. American continues to be a great friend. If it were not for the American military 10 years ago, there would be no Saudi Arabia today. It would have been incorporated by its brother Arab state, Iraq.

I am not suggesting that we repudiate them and that we treat Saudi Arabia today the way we treat Cuba. I am suggesting that

we have a more engaged relationship in which we put some pressures on them and make some demands on them. I think it has been very asymmetric. What they said is if Israel gives up on every issue in debate and dispute, we will agree that they can exist. It is relevant as a step forward, and it is relevant because it sets the context of how far people have to go.

Yes, I would be encouraging that. I think we should say to the Saudi Arabians or anybody else, we want to work with you for peace, but we are still going to say that elections are as relevant

in Saudi Arabia as they are in Cuba.

I found myself in rare agreement with a spokesperson for the Palestinian Authority who was asked by a journalist what he thought about the Saudi Arabian call for elections. He said, oh, did he mean in Saudi Arabia? That seemed to be a pretty good question for which we ought to ask for the answer.

Mr. Issa. Mr. Chairman, I yield back the balance of my time.

Mr. GILMAN. Ms. Berkley.

Ms. Berkley. No questions at this time.

Mr. GILMAN. Mr. Rohrabacher.

Mr. ROHRABACHER. Let me get this right, Barney. You are not in favor of recognizing Cuba until they have free elections and political parties and such?

Mr. Frank. No. I am not going to break off relations with China

or Cuba.

Mr. Rohrabacher. So you have a little double standard?

Mr. Frank. No. Perhaps you were not listening.

Mr. ROHRABACHER. I believe we should be pressuring the Saudis toward a more democratic attitude.

Mr. Frank. Your problem is that you are equating pressuring with breaking off relations. What I am saying is we ought to treat all of these autocratic states similarly; that is, Cuba and China. I am not for breaking off relations and embargoing all three of them.

Mr. ROHRABACHER. Did you actually criticize Sadat's background when he stepped forward and say, where were you 2 years ago, as

you are doing with Prince Abdullah today?

Mr. Frank. No, for a very different reason. I thought what President Sadat did was much more forthcoming. Yes, I would note that one of the things that made it so extraordinary that President Sadat did that was that it reinforced the previous rejectionist theory. I think it is fair to point out that the Egyptians could have moved toward creating a Palestinian state for many years. Yes, I think it is relevant to say, yes, they are doing this now, and that is a good thing, but I think the fact that simple recognition is considered to be such a great thing, that sets context. I also believe that what Sadat was going to do, opening it up, exchanging embassies, even though that has not worked out as well as people hoped it would, he went further 20 years ago than Abdullah is doing today.

Mr. ROHRABACHER. Let me point out that when the United States decided at last to recognize Communist China, it was a monumental step which had taken a long time. I would suggest that the step taken by the Saudi Government in proposing a peace plan that includes recognition of Israel by all of the Arab states in which it would lead that effort is a monumental step forward, and that

we should applaud it and should not try to minimize it or even to demean it. The fact is that we should encourage this and encourage progress perhaps based on that peace plan. Obviously it is not something that you can just hook in and just start it up and turn the key, and that is the end answer, but it is a very big step in

the right direction.

With that, Mr. Chairman, let me note that I certainly agree with my colleague and friend that we should be pressing not only in Saudi Arabia, but in all countries that have Muslims or anywhere else, a democratic path so that the people of those countries have the right to worship God, speak, have freedom of the press, and live their own lives the way they see fit not only in Saudi Arabia, but elsewhere throughout the world.

Mr. FRANK. I am not talking about having a double or triple standard. I think with regard to all of these autocratic regimes. It ought to be that you have relationships, but within those relation-

ships you put pressure.

Secondly, with regard to the Saudi peace proposal, I said I welcomed it, but I would disagree if you consider describing it to be demeaning it. It is not a peace proposal that anyone would expect Israel reasonably to accept. Complete withdrawal from all of the boundaries, ambiguity on the right of return which would be threatening to Israel's right to exist. I think it is a fair to say that it is a step forward, but also note what else needs to be done.

My main point is to stress what it means historically. There has been this debate, why did we not get an agreement in 2000 when the Israeli Government made this very far-reaching proposal. I think the fact that the Saudi Arabians are getting so much credit today for changing their position, that ought to be noted as evidence that their position 2 years ago during the critical peace negotiations was still a rejectionist one.

Mr. ROHRABACHER. If the United States had made any mistake in dealing with the Islamic world since the end of the Cold War, it has been that we have not championed the cause of democracy and the evolution toward a more democratic government in the states that are Muslim States, and I would certainly agree with you on that.

Thank you, Mr. Chairman.

Mr. GILMAN. The gentleman's time has expired.

Mr. Pitts.

Mr. PITTS. Mr. Chairman, I am going to pass until the next panel.

Mr. GILMAN. We thank Congressman Frank for his very helpful review of the relationship and for bringing it to the attention of the Committee.

The first witness on today's second panel will be Ambassador Richard Murphy of the Council on Foreign Relations. Ambassador Murphy is very familiar with this room, where he appeared on many, many occasions as Assistant Secretary of State for Near Eastern Affairs during the 1980s. He also served as our Ambassador to Saudi Arabia and elsewhere in the Arab world.

I would ask that you summarize your statement so that the Members may have the opportunity to engage you and your fellow witnesses.

Further, on this second panel, we have R. James Woolsey, a partner in the law firm of Shea & Gardner, and who served as Director of Central Intelligence for 2 years during the Clinton Administration. Although he claims not to be an expert on the Middle East, he, in fact, has been involved in policy-making at the highest levels of our government for many years and is familiar with the balance that must be drawn between energy, security, stability and human rights. Mr. Woolsey is a leading voice for intervention against Iraq, and we would be interested in his views on how Saudi cooperation or lack of cooperation will affect our plans to deal with Saddam.

or lack of cooperation will affect our plans to deal with Saddam.
Our third witness is William Kristol, editor of *The Weekly Standard* and former Chief of Staff to Vice President Quayle and previously to William Bennett when he was Secretary of Education. Mr. Kristol also appears frequently as a commentator on television. Mr. Kristol has written frequently on the Middle East and along with former Director Woolsey had the perspective of the White House on balancing our important relationships such as that with

Saudi Arabia and our other interests around the world.

Our final witness will be F. Gregory Gause, III, Associate Professor of Political Science at the University of Vermont and Director of the university's Middle East studies program. He has a Ph.D. from Harvard and worked at the RAND Corporation and Brookings Institution. He has published two books on the Gulf States and has published articles in a range of scholarly publications.

Ambassador Murphy, you may proceed.

STATEMENT OF THE HONORABLE RICHARD W. MURPHY, SENIOR FELLOW MIDDLE EAST, COUNCIL ON FOREIGN RELATIONS, FORMER U.S. AMBASSADOR TO SAUDI ARABIA (1981–1983)

Mr. Murphy. Mr. Chairman, it is a pleasure to be back in this room and in front of your Committee for the first time since leaving government service and today with the protection of being just a taxpayer in New York.

I have often said how much I enjoyed the hearings of this Committee. In fact, I have often added quietly that I felt I had to retire from government service when I reached the point that I was be-

ginning to enjoy testifying too much.

Let me start with two of the comments that were made earlier by Congressman Frank and some Members of the Committee. The issue of coming late to the peace party, well, this Congress may not remember, but there was something called the Fahd plan back some 21 years ago. It was more specific than that which the Crown Prince has proposed, and it had some very awkward points in it, but the essence was that Israel would gain peace with the Arabs in return for land occupied in 1967. The Crown Prince spoke more in terms of a vision. His was a very general statement about normal relations with the Arab world once the land had been returned, but the origin of that idea appeared in 1981, only 2 years after the Egyptian-Israeli peace treaty. So let us remember that they have not come that late to the party.

Mr. Lantos talked about getting Saudi pressure on the Taliban to conform to Saudi social practices. No, the Taliban had its own social practices in the villages of Afghanistan from which it sprang.

They did not need any coaching about how to discriminate against women in their society.

The other point on military support. I had in my written testimony listed with six charges commonly made against Saudi Arabia with which I do not agree. Take the question of military support: It is asserted that Saudi Arabia is no longer prepared to cooperate with the United States militarily, and in any case we do not need that support for a campaign against Saddam Hussein and Iraq.

The amount of logistical support given by the Saudis to our campaign in Afghanistan has never been addressed publicly in any detail. I am not a military man—I have no direct military experience, but the thousands of air clearances, the access to end utilization of the Sultan Command and Control Center near Riyadh was, I am told, of inestimable value. The Saudis did not permit American planes to take off on bombing runs of Afghanistan, as they have not permitted it against Iraq; but they have permitted Operation Southern Watch against Iraq all of these years, and when those planes are fired on, they fire back.

The other points, and then I will leave it to the Committee to pursue the ones that it wishes: The assertion that the regime is tottering and does not deserve U.S. support given the level of its corruption and its human rights abuses; that Saudi oil is not that important to the United States, and we should be developing alternative sources; that Saudi Arabia or at least rich Saudis have contributed to al-Qaeda, funding terrorism, that they have contributed to Palestinian radical movements and suicide bombings; and in addition that Saudi Arabia does not cooperate on stopping the funding of terrorism; and finally, that Wahhabism is a fountainhead of international terror.

As I wrote, I find these charges inaccurate and misleading, but let me go to my recommendations. What should we be pressing the Saudis to do? I think we ought to prioritize and focus on Saudi foreign policy rather than domestic policy for these reasons: What have we asked that they do, at least in the public debate? Revise their educational curriculum, change it. "You are raising the wrong kind of child in your schools, you are raising them badly."

First of all, it is too far a reach for any outsider to push any country on its school curriculum, and particularly in Saudi Arabia where the role of the religious leaders is so very strong in the curriculum.

Second, the Saudis themselves recognize the problems in their system, and they are demanding change. No American visitor to the Saudi business community leaves without getting an earful of the complaints they have about the inadequacy of the educational system, the distortions that do not produce graduates able to fill the roles that are waiting for them in modernizing Saudi industry and Saudi commerce. Unemployment is up to some 30 percent. They are not qualified.

Third, the Crown Prince himself has taken the lead on this, both on educational reform and other social and economic reforms. I submit that for the outsider to press is not advantageous. It is much better that we support what is being said by the leadership itself.

In the international area, I think we do have more latitude. We should do everything possible to make it clear that Saudi money should not end up in schools or in mosques that preach hate, intolerance, and anti-Americanism.

We should insist on continued monitoring by the Saudi authorities of donations to charitable institutions. This is not a question

of challenging any precept of Islam, it is a political issue.

We should take care not to appear to be opposing the spread of Wahhabism. Wahhabism is not a doctrine that is preaching blood-shed and violence. It is a very strict interpretation, some say narrow, some say rigid, but it is not out there preaching bloodshed against the non-Wahhabi practitioner of Islam or of other faiths.

What we can do is to work with other governments, and particularly those in Central Asia, Afghanistan, and Pakistan, especially its Northwest Frontier Province. These are where the governments lack functioning ministries of education, or do not have the funds to develop adequate schools. With regard to the Saudi-funded madrassahs (those religious schools where all you really do learn is rote memorization of the Koran and some traditions of the first century of Islam), those governments would be delighted to get assistance in the planning and expanding of curriculum, training of teachers, et cetera. So we can do something directly there.

Finally, as we try to shape the future of this relationship, let us not forget the fact that the Saudi leadership and its relationship with the United States was also the target of Osama bin Laden on September 11. He and his followers want us out of the Peninsula, and they assume that the House of Saud, the royal family, is going to collapse as soon as the Americans are gone. I think they are wrong. They believe that the House of Saud survives only due to American support, and it would be ironic for us to help them reach their goal through any misjudgment of our own. Thank you, Mr.

Chairman.

Mr. GILMAN. Thank you, Ambassador Murphy. [The prepared statement of Mr. Murphy follows:]

Prepared Statement of the Honorable Richard W. Murphy, Senior Fellow Middle East, Council on Foreign Relations, former U.S. Ambassador to Saudi Arabia (1981–1983)

Mr. Chairman, thank you for the invitation to testify today on the subject of "The Future of U.S.-Saudi Relations." I welcome the interest which your Subcommittee has shown in scheduling this hearing and look forward to our discussion. I consider the U.S.-Saudi relationship to be an important one for the advancement of U.S. interests in the region and have always been interested in how it could be improved.

I have been engaged with Saudi Arabia in several different capacities ever since my assignment as political officer in the American Embassy to Saudi Arabia (1963–66). My later service as Country Director for Arabian Peninsula Affairs (1967–68), as U.S. Ambassador to Saudi Arabia (1981–83) and as Assistant Secretary of State for the Near East and South Asia (1983–89) kept me in close contact with the complicated issues defining Saudi-American relations. I have visited that country frequently since joining the staff of the Council on Foreign Relations.

What I would like to do is begin with a brief historical review of U.S. policy, discuss commonly held views about Saudi Arabia and then offer some recommenda-

ions.

When I was in government service, "vital U.S. national interests in the Middle East," referred to the security of Israel and access to the energy sources of the Gulf. To support that first interest, successive U.S. administrations have worked to advance the Middle East peace process recognizing that Israeli security could only be sustained when a general peace was established between it and the Arab World. We

sought to develop the closest possible relations with key Arab countries and move

them toward peaceful acceptance.

As for the Gulf region, we stated that it was not in our interest to have any single country dominate the Gulf and its energy sources. We worked to assure the flow of oil at acceptable prices. This proved to be a complicated task since other foreign policy concerns frequently clashed with the principle of assuring the free movement of oil from the Gulf into the international market. For example, we led the campaign to impose United Nations sanctions on Iraq and have maintained our own sanctions on Iran.

CURRENT CHARGES AGAINST SAUDI ARABIA

Rarely, if ever, has the Saudi American relationship been the target of such sustained and strident criticism.

It is asserted that:

- Dissidence is widespread within Saudi Arabia; the regime is tottering and undeserving of U.S. support given the levels of corruption and human rights abuse.
- Saudi Arabia is no longer prepared to cooperate with the United States militarily and such support is unnecessary for a campaign to topple Saddam Hussein.
- Saudi oil is not that important to the United States. For energy security we should develop alternative sources.
- 4. Saudi Arabia, or at least rich Saudis including members of the sizable Royal Family, fund terrorism including al Qaeda, Palestinian radical movements and suicide bombings of Israelis. In addition, Saudi Arabia does not cooperate in tracking and stopping the funding of terrorism.
- 5. Wahhabism is a fountainhead of international terrorism.

Crown Prince Abdullah's peace initiative is a meaningless cynical attempt to ingratiate Saudi Arabia to the United States.

I assume the Committee has heard these charges and perhaps more. I find them inaccurate and misleading.

1. Dissidence

Yes it exists. It showed itself in 1979 when a group of Islamic radicals, including Saudis, seized control of the Great Mosque in Mecca. They asserted they did so to confront a regime that they considered corrupt and impious.

Eleven years later, as Operation Desert Shield was underway introducing 500,000 American troops and many other foreign forces to the Kingdom, preachers in some Saudi mosques inveighed against the presence of those non-Muslims. This led to the jailing of a few of those preachers when they refused to stop their criticism.

Saudi mosques inveighed against the presence of those non-Muslims. This led to the jailing of a few of those preachers when they refused to stop their criticism. Apparently, neither the American nor the Saudi authorities realized how widespread anti-Western and, particularly, anti-American feelings had become after Desert Storm. In 1990, the Saudi leadership rejected Usama bin Laden's proposal to bring a few thousand fighters from the Afghanistan war against the Soviets to expel Iraq without the help of other forces. His anger built as Washington continued to maintain approximately 5,000 military personnel in the country after the war. There were warning signs such as the bombing of the U.S. military advisory office in Riyadh in 1995, and the al-Khobar barracks in 1996. The events of 9/11, and the revelation that Usama bin Laden had gathered so substantial a following in Saudi Arabia, came as a shock to both our governments.

Critics of the U.S.-Saudi relationship charge that America has supported a corrupt, tyrannical and failing regime against its own people. It is important to note that the Royal Family does try to maintain open channels of communication with its citizens. The mechanism for this has been the system of the Majlis, where local and provincial authorities, the latter being members of the Royal Family, meet with the general public at least weekly. At these sessions the officials receive petitions for redress, often against government decisions. This system retains its vitality although, admittedly, it works best as a way to address individual grievances and not to hold debates on national policy. In the mid-nineties, the King created a Majlis ashShura, or Consultative Council, to broaden popular participation in government councils. That membership is by nomination and brings together prominent citizens, none of them from the Royal Family, who are responsible for reviewing and amending draft government regulations before they are made official. It is a consultative, not legislative, authority and without budget powers. It does have the right to question cabinet members on the operations of their departments.

The Saudi leadership knows better than anyone that its future can only be assured if it maintains the loyalty of its citizens.

2. Military cooperation with Saudi Arabia

In its effort to bolster Gulf security, Washington has for decades supported Saudi Arabia against external aggression. In 1980, just after the outbreak of the Iraq-Iran war, the President sent American AWACs to provide early warning of any Iranian attempt to attack the Eastern Province of Saudi Arabia. Those planes remained on station for several years, until the Saudi government had purchased its own AWACs and trained its personnel. In 1990–91, Washington asked for and received full Saudi

and trained its personnel. In 1990–91, Washington asked for and received full Saudi support for Desert Shield and Desert Storm which forced Iraq out of Kuwait.

There had been even earlier cooperation. Military training began in the early years of the Cold War. In 1963–64, we helped when Saudi Arabia came under pressure from the United Arab Republic for its support of the Yemeni royalists. And there has been Saudi support since Desert Storm for the operation of "Southern Watch" over Iraq and since last September for operations in Afghanistan. In this connection, it is useful to correct the allegation of propagation by Saudi Arabia connection, it is useful to correct the allegation of non-cooperation by Saudi Arabia during the Afghanistan campaign. Riyadh did ban the use of Saudi territory as a base for planes engaged in bombing Afghanistan as it had done earlier in the case of Iraq. However, the Saudis did provide access to the command and control facility at Prince Sultan Air Base. The Pentagon found this facility invaluable to its air campaign, along with the thousands of overflight clearances provided by the King-

Saudi support will be important to any future activity in Iraq. The need for Saudi support will depend on the plans developed by the National Command Authority. But Saudi backing can be given in a number of ways that can ease or hinder American operations. The kingdom can give or deny overflight clearances, logistical support, etc. In addition, other Gulf States will find it difficult to assist the United States if Saudi Arabia does not endorse such efforts. We should be wary of those who say Saudi support is unnecessary. Tacit support, at a minimum, will be very important.

3. Oil Policy

Gulf oil producers currently supply about 30% of our imported oil and Saudi Arabia about 10% of our total consumption. Saudi Arabia has recently reiterated its pledge not to use oil as a political weapon. The only occasion it did so was in 1973–74, during a six month boycott of the domestic U.S. market. Its action on that occasion was in reaction to the widely publicized American air lift of arms to Israel and in response to an Arab World demand that every Arab country makes some sort of

Saudi oil exports make up the overwhelming percentage of its Gross National Product. With its vast reserves, estimated at 25% of proven world reserves, it can

produce oil at the current level of production for another century.

Saudi policy makers believe, for Saudi Arabia's own self-interest, that their wisest policy is to maintain predictable prices of oil, avoiding spikes which stimulate research on alternative energies and which inevitably collapse, upsetting rational plans for the country's development. They also are investing heavily in developing an excess production capacity which they have used to meet global shortfalls. That excess is currently about two million barrels per day. There is no other country with

that excess production capacity.

Today, the question is often posed whether we should decrease our reliance on Saudi oil and Arab oil in general. Alternative foreign sources are being urged in places such as Russia and the Central Asian states. These have important reserves but the consensus among oil experts is that by the next decade the world will need all the oil from all possible producers. Thus it is not a question of other sources replacing Saudi and Arab oil, but of supplementing it. And Gulf oil has the advantage in terms of ease of transport and of lower production costs; even though it's cost advantage has shrunk in recent years.

4. Saudi support of terrorism

Riyadh was a generous benefactor of the Afghan mujahideen through the 1980s, matching the U.S. contribution dollar for dollar. It maintained diplomatic relations with the Taliban government until just after 9/11 although it had withdrawn its Ambassador in 1998 after the Taliban had refused to turn over Usama bin Laden. Throughout the nineties, Riyadh failed to install controls over contributions to the Taliban and probably to al Qaeda through Saudi charitable foundations, some of whose donors may have been unaware of the purposes to which their donations were being put. These donors very likely included not just rich private Saudis, but members of the Royal Family. Two weeks after the 9/11 attacks and the publication of evidence that 15 of the 19 hijackers were Saudi citizens; the Saudi Foreign Minister visited Washington. He then dispatched representatives of the Saudi Ministry of Finance and Central Bank to meet with U.S. Treasury officials. The delegations focused on how to monitor the flow of money through charitable foundations to ensure that it did not go to groups or individuals supporting terrorism.

Since those initial conversations with Saudi officials, U.S. Treasury teams have made several visits to Saudi Arabia and other Gulf countries identified as hosting organizations under suspicion of funding terrorism. I understand that the Saudis have been cooperative and have supported our efforts to close down two charitable organizations operating internationally. Secretary O'Neil has applauded the Saudi efforts to establish effective controls.

As we have learned from our own experience tracking the flow of money is not easy. For example, it took seven years of investigation of the Texas based Holy Land Foundation before the FBI moved to close it down on evidence that it had funneled money to Hamas

Recently, the Kingdom has been accused of funding Palestinian suicide bombers. The fact remains that from the beginning of the <code>intifada</code> in 2000, the Saudi government encouraged its citizens to contribute to the families of the "victims" of the conflict. The government has made no distinction between helping those families whose sons and daughters had been suicide bombers and those who had been killed or injured in other actions. They have noted that the families were ignorant of the intentions of their relative to be a suicide bomber. Saudi religious authorities have condemned suicide bombers and the killing of innocent civilians.

5. Wahhabi practice and the Saudi world view

This is not the occasion to present anything more than a brief reference to Wahhabi practice and how it affects Saudi attitudes towards the outside world. They are an instinctively inward looking people. The heartland of the country, the Nejd province, where the Royal Family originated, was never colonized. In the eighteenth century, the Saud family leadership entered into a pact with a prominent religious leader, Mohammed Ibn Abdul Wahhab. His followers who are termed "Wahhabis" advocate a strict, literal interpretation of the Koran and the earliest traditions of Islam.

Their pact is most simply described as a mutual support agreement. The Sauds exercise political leadership and the followers of Abdul Wahhab provide spiritual guidance. This agreement has persisted to this day with the leading Saudi religious family, Al ash-Sheikh, who are the descendants of Mohammed Ibn Abdul Wahhab, dominating the clergy while the House of Saud maintains political control. Each legitimizes the other.

With the conquest in the late 1920's of what is today Saudi Arabia, the Royal Family became responsible for the governance of the holy sites of Mecca and Medina. It takes that responsibility seriously and today the King's official title is "Custodian of the Two Holy Mosques." The political leadership is wedded to its role as promoter of the Wahhabi practice of Islam and leads a highly evangelistic clergy. It spends massively on propagation of the faith abroad, a point I will turn to in my recommendations.

6. Middle East Peace and Saudi Arabia

The Saudi's well publicized support for the Palestinians has been termed cynical on the grounds that it could have helped settle the Palestinian refugees and advocated a peace initiative such as that launched by Crown Prince Abdullah in February years ago. The fact remains that the "Palestinian Cause" is the single issue on which the Arab World agrees. Most Arab states for years have seen Israel as a state foisted on the region by Western imperialism seeking to dominate the Arab World. Ever since 1974, the Arab countries agreed to support the then Palestine Liberation Organization as the "sole legitimate representative" of the Palestinian people. Today they support the Palestine Authority and its goal of establishing a viable independent state of Palestine.

Crown Prince Abdullah, in company with most other Arab leaders, has made plain that restarting Israeli-Palestinian negotiations after 18 months of the intifada is an absolute priority and has publicly spoken against any campaign to topple Saddam Hussein's regime. The need for Saudi assistance is debatable, as suggested earlier, but the Administration is clearly on the right course in working hard and persuasively to bring the *intifada* to an end and restart negotiations.

Some Arab countries have come to terms with the reality of Israel's existence more quickly than others. The Saudi instinct over the years has been to keep its distance from the negotiations between Israel and its immediate neighbors. However, it is little remembered that then Crown Prince Fahd did publish a peace plan in 1981 two years after the Egyptian-Israeli peace treaty. I recall my own conversations about the Fahd plan with members of Congress in 1981–82 and how quickly they dismissed it.

Abdullah's peace initiative last February was important because of its simplicity. It proposed normal relations between the Arab World and Israel in return for the land occupied in 1967. There were grounds for concern that his initiative would be adulterated by amendments and "clarifications" at the Arab Summit in Beirut on March 27–28. but it survived in its essence.

Some Israelis scoffed at the summit communiqué. However, more now see Abdullah's initiative at least as the beginning point for a return to negotiations. A normal relationship with the Arab World has been the Israeli vision ever since 1948.

RECOMMENDATIONS

What should we now press Saudi Arabia to do?

Let me suggest that we prioritize our policy vis-a-vis Saudi Arabia. Washington should reserve the bulk of its efforts to change Saudi foreign policy rather than its domestic policy, as some are advocating.

Since 9/11, a chorus of "experts" has been urging that Saudi domestic reform, particularly in the realm of education and religion, become America's primary foreign policy goal. They are arguing that we should demand that Saudi Arabia change its education curriculum. I believe, for at least three reasons, such an approach would be counterproductive.

First, it is too far a reach for any outsider to fundamentally alter the school curriculum of another country, particularly in a case such as Saudi Arabia where the influence of the religious on education is so strong.

Second, the Saudis themselves recognize the problems inherent in their own system and are demanding change. Even before 9/11, visitors to Saudi Arabia routinely heard complaints from their Saudi counterparts about the quality of primary and secondary education. Their children are graduating with college degrees and are completely unqualified for most jobs in a modern economy. Unemployment in Saudi Arabia is said to be upwards of 30%. Complaints by Saudi nationals are reportedly leading the government to review and to reform the curriculum.

The third reason we should proceed cautiously on the domestic front is that the Crown Prince himself recognizes the need for change. Statements such as the one he made at the summit meeting of the Gulf Cooperation Council last December showed he is well aware of the need for reforms. He shows every indication that he is trying to move his country forward and win back power from the more radical elements of the religious establishment. We should support him in his efforts. Our direct intervention would undermine a true force for change in Saudi Arabia. In the domestic realm, our goal should be to support and encourage change, but there is no need to proceed with a heavy hand.

In the international area, we have more latitude and we should do everything possible to make clear that Saudi money should not end up in schools and mosques that preach hate, intolerance and anti-Americanism. We must insist on continuing and expanding Saudi cooperation in monitoring where the money of its donors to charitable foundations ends up. This is not a question of challenging the precept of Islam to be charitable. It is a political issue. Money funneled to al-Qaeda is as anti-thetical to the Saudi government and to Islam, as it is to the American government.

On the other hand, Washington should take care not to appear to be trying to stop the spread of Wahhabi practices. The Saudi conviction that this is the best practice of Islam is not one for the non-Muslim to challenge.

We can do something about the quality of the religious schools, or madrassas, funded by Saudi Arabia in poor countries such as Afghanistan and in regions such as the North West Frontier Province of Pakistan. In those areas the national Ministries of Education have few official schools and little funding to improve the education offered. Today these *madrassas* offer the only education to local children and that consists of rote memorization of the Koran and the traditions handed down from the first century of Islam. Teachers that are exiled from Egypt and Jordan because they are too radical often turn up at schools in East Africa, Central Asia, Pakistan and elsewhere. Foreign aid should be directed toward the whole spectrum of education, from strengthening education ministries to teacher training to curriculum development. Foreign assistance to those Ministries would be welcome and help provide over the longer term a more rounded education. Decision-makers should consider the full range of bilateral and multilateral avenues to make this happen.

To those who say that the day of the House of Saud is past I say don't be so sure. So far it has maintained the loyalty of its people. If it cannot maintain that loyalty, the Royal Family will not last. In any case, it is not evident that a different leadership would better serve our interests or those of the Saudi citizenry. Any sensible observer should first consider who would be the likely replacements for the Royal Family. Today, they would probably come from the ranks of the religious extremists.

As we try to shape the future of the U.S.-Saudi relationship we should not forget the fact that the Saudi leadership and its relationship with the United States was also a target, and perhaps the real target, of Usama bin Laden's followers on 9/11. They want us off the Peninsula. They assume that the House of Saud would soon thereafter collapse because they believe it survives only thanks to American support. It would be ironic, to say the least, for us to help them reach their goal through any misjudgment of our own.

Mr. GILMAN. Our next witness is the former Director of Central Intelligence, Mr. Woolsey.

STATEMENT OF THE HONORABLE R. JAMES WOOLSEY, ATTORNEY, SHEA AND GARDNER, FORMER DIRECTOR OF CENTRAL INTELLIGENCE (1993–1995)

Mr. WOOLSEY. Thank you, Mr. Chairman. With your permission, I will submit my full 5 pages for the record and speak from them as notes.

Mr. GILMAN. Without objection, your full statement will be made part of the record.

Mr. WOOLSEY. Until 30 years ago our relations with the Saudis were generally smooth. We were on the same side in the Cold War. Of course, we had the oil embargo in 1973, but 1979 was really the crucial year. It was the year when both Khomeini came to power in Iran, and the Holy Mosque in Mecca was seized by fanatics and reclaimed by the Saudis, only with substantial loss of life and loss of face.

I think that much of our difficulty in dealing with the Saudis dates from that period. Beginning around 1979, the Saudis ceded an even larger share of control over daily life in Saudi Arabia to the Wahhabis. They have, for all practical purposes, forged a Faustian bargain with the Wahhabis such that they, the Saudi elite, get a free ride in both their corruption and their life-style, and the Wahhabis are free and indeed funded to export their particular form of anti-infidel, and in many ways very hatred-based form, of Islam into other countries. We have seen this occur in Pakistan. We have seen it occur in Afghanistan, and it is occurring in other places throughout the world.

As far as their own education system is concerned, certainly Ambassador Murphy is right, it has substantial disadvantages. Among them is that the New York Times cites a poll conducted by Saudi intelligence, an interesting polling entity, shared with the U.S. Government in January, indicating that over 95 percent of Saudis between the ages of 25 and 41 have sympathy for Osama bin Laden. Whether this is an accurate report of Saudi views of their young adults or is a distortion by their intelligence agency, in either case it says something substantial about their governmental or their popular attitudes toward us which have been spawned by the Wahhabi education.

I would say that the thoroughly arrogant and nasty remarks about President Bush that were stated by the Saudi Ambassador in the U.K. and read into the record by Mr. Lantos are somewhat

typical of this mindset and this attitude.

I had in my office not long ago a leader, a Muslim leader from an Asian country. He was in the United States seeking money from foundations so that he could have printed elementary school textbooks to compete with the Wahhabi-funded textbooks which are flooding into his country and that are being made available to schools there at little or no cost. These preach, as the Wahhabis do, that all infidels are the enemy, the same attitude that we see reflected in the statements of the young students in the madrassahs in Pakistan on the evening news.

Now, we also have in this country, I think, a substantial use of Wahhabi money for purposes of, in part, establishing institutions that are hostile to the United States and to our way of life. I do not believe at all that this attitude reflects the overall view of

American Muslims or American Arabs.

I might say parenthetically that I have spent several years representing pro bono eight Iraqis who were imprisoned by the Immigration and Naturalization Service on secret evidence charges. They were falsely imprisoned. They have been released by the Justice Department or by our victories in court, and I have seen "up close and personal" discrimination in the United States Government against Arabs and Muslims. It is ugly. It is as ugly as anti-Semitism. It is as ugly as anti-African American expressions of prejudice. But that should not let us ignore what Wahhabi-funded institutions are essentially doing.

They and a far more modern movement, the Islamists, are for all practical purposes the functional equivalent of the angry German nationalism of the period after World War I during the 1920s and the early 1930s that gave rise to Nazism. No, not all angry and extreme German nationalists of the 1920s and 1930s became Nazis, and not all Islamists or Wahhabis are inclined toward supporting al-Qaeda by any means, but that is the soil in which al-Qaeda is growing, very much as angry German nationalism was the soil in

which Nazism grew in the period after World War I.

The Saudis have expanded their concept of what former Secretary of State George Shultz calls their "grotesque protection racket" to protecting people from being charged even when evidence exists they have been involved in killing Americans. The Saudis clearly impeded investigations into both the Riyadh and Khobar Tower bombings, which killed 23 Americans in 1995 and 1996. They refused to participate in an FAA-run airplane manifest agreement that lets U.S. officials know who is arriving in the U.S. from abroad. They refused to take bin Laden into custody in 1996 when the Sudanese offered to deliver him there. They also refused to let the U.S. take Hezbollah's Imad Mugniyah, who was responsible for bombing our marine barracks in Beirut and the death of a U.S. Navy diver, into custody.

Time and space does not permit chronicling the extensive and hideous lies about the United States, and particularly about American Jews, that are spread by the Saudi Ministry of Religious Af-

fairs and by Saudi Government-controlled media.

What can be do about this situation? Of course we should not withdraw recognition or completely cool our overall relationship

with the Saudi Government. We are condemned to partnership on some matters for some time. I think it is important to credit Crown Prince Abdullah in what appears to be some move to begin to work toward peace with Israel and to restrain some aspects of behavior, say, by the Government of Syria and others that are completely opposed to peace in the Mideast. But as Congressman Frank pointed out, the Saudis did not play a helpful—indeed they played a quite

negative—role in 2000 during those crucial negotiations.

I think we have to focus on steps that we can practically take to reduce their leverage and their influence over us. I agree with Ambassador Murphy. It would be very difficult for us to change internally the Saudi education system, although we can legitimately resist their export of some forms of hatred which they foster. But precisely because we cannot make some of the changes that I think would be in their and the world's interest, we have to take, I think, at least three steps to undercut their leverage against us. The first of these in time I think they might favor. The second two they definitely will not, but none of the three requires confrontation.

First of all, although we should not be seen to be withdrawing our military forces from Saudi Arabia under pressure from al-Qaeda or anyone else, I think we should steadily take steps to be ready at the appropriate point to reduce our presence there and to transfer our military activities to other places in the Persian Gulf

where we already have some presence.

I don't believe that we, in any circumstances, want to look as if we are leaving Saudi Arabia under pressure. Therefore I think we

should wait for some turn of events in our advantage.

My favorite would be, as the Chairman mentioned, the replacement of the Baathist regime in Iraq. We should wait for some occasion such as that to move our military forces out of Saudi Arabia, but I think whatever the logistical advantages, and they are there, we can get the job done of keeping the peace and fighting as we need to fight in the Gulf without the Saudis.

Second, a year ago I would not have said the following, but now I believe it is very much in our interest. President Putin, in his response to September 11, his acceptance of U.S. military deployments in Central Asia and, even more surprisingly, in Georgia, his reasonable response to President Bush's withdrawal from the ABM Treaty, and his spurning of OPEC seem to indicate that he is cast-

ing his lot in important ways with the West.

Now, the Russian level of oil production is high, but it could be even higher if it were not for the deplorable state of Russian oil pipelines. And there are certain limitations to the degree to which Russia can serve as a supplier of last resort in the world, the way the Saudis do, because of the temperature, the climate in Russia, and other factors about their oil; but we probably could do a good deal more than we have done to help the Russians obtain a substantially greater share of the world's oil market to, I would hope, the disadvantage of the dictatorships and authoritarian regimes of the Persian Gulf, in particular Saudi Arabia. I would very much like to see the Saudis perceive a coordinated Western effort to shift reliance on oil, at least to some degree, in Russia's direction.

I believe that Russian prosperity is far more likely than Russian poverty over the course of the years to come to encourage a growth

of a Russian middle class and the kind of stability and rule of law that we need in Russia.

There are still many problems, many difficulties in Russia, but on balance, I think this shift would be a very positive and reasonable one.

Let me close with a final suggestion which is one that was made $3\frac{1}{2}$ years ago by Senator Richard Lugar and myself in an article in Foreign Affairs magazine called "The New Petroleum." I believe that together with a sharp shift toward improving vehicle mileage in the United States, including by encouraging, for example, hybrid vehicles, it is also important for us to move decisively to replace petroleum-based transportation fuels with domestically produced alternative fuels.

It is of central importance that I am not—repeat, not; for a third time, not—proposing a movement toward increased reliance on ethanol derived from corn or from starches. Ethanol from starches will never provide more than a tiny share of our transportation fuel needs. Rather, what Senator Lugar and I proposed was a movement to fuels that can be produced from agricultural wastes, from prairie grasses, from other cheap and widely available feedstocks, in order to reduce costs and to make these fuels competitive with gasoline, even if the price of petroleum were down into the range of \$10 to \$15 a barrel.

I believe this is practical once one moves toward these other waste-type feedstocks, rather than corn, as a source of ethanol and other types of bio-based fuels.

Senator Lugar and I also stressed that unlike the case with fuel cells in the far-distant hydrogen economy, biofuels can be used in the existing transportation infrastructure, in vehicles that are currently in production, in fuel transport and storage facilities that already exist.

And finally, if this effort is combined with the encouragement of higher-mileage vehicles, such as hybrids, we could not only relatively quickly have vehicles, including hybrid SUVs, that achieve around 40 miles a gallon in fuel efficiency, but that same vehicle, if it were using a substantial share of biomass-based ethanol, would be getting over 100 miles per gallon of gasoline since only a small share of its fuel would be gasoline.

As a general matter, I believe these three steps, or steps like them, taken toward reducing our reliance on the Saudis, reducing our reliance on their bases, reducing our reliance on their oil, are very much in the security interests of the United States.

Thank you, Mr. Chairman.

Mr. GILMAN. Thank you Mr. Woolsey.

[The prepared statement of Mr. Woolsey follows:]

PREPARED STATEMENT OF THE HONORABLE R. JAMES WOOLSEY, ATTORNEY, SHEA AND GARDNER, FORMER DIRECTOR OF CENTRAL INTELLIGENCE (1993–1995)

Mr. Chairman, members of the Committee. I was honored to be asked to testify today, all the more so since I do not pretend to be an expert on Saudi Arabia or the Middle East. I hope that nevertheless these observations are useful.

Since the Saudi conquest of the Hejaz from the Hashemites in 1924 and the formal establishment of the state of Saudi Arabia in 1932—more or less simultaneously with the discovery of huge oil deposits in the kingdom—Saudi Arabia has been of substantial importance in the world. So although the Saudis have existed as a tribe and a family in control of a small portion of Arabia for centuries, their

many now living, including the kingdom's effective ruler today, Crown Prince Abdullah. influence, even their existence as a nation, has come about within the life span of

Until less than thirty years ago our relations with the Saudis were generally smooth. We were on the same side in the cold war, and the Saudis valued our support (and we theirs) against Soviet influence in the Mideast. Of course the oil embargo of 1973 created major stress, but the watershed year was 1979, when Khomeini came to power in Iran and extremists took over the holiest of Islam's shrines, the Mosque in Mecca, which was under the protection of the Saudi King; it was reclaimed by the Saudis only after substantial loss of both life and face.

As recently as the late 70's before these two events occurred the world of US-

Saudi relations was a reasonably close and relaxed one. A number of Saudis prominent in government, the military, and the oil business had been educated in the West and were on quite easy terms, at least privately, with Western values and ways. If you will permit me one personal but I think useful vignette, I was in the Kingdom on navy-related matters (I was Under Secretary of the Navy at the time) in 1978 and through a friend of a friend I was invited to a Saudi home for dinner. There were several Saudi men there, all of whom had been educated in the West; they were accompanied by their wives, who had also spent substantial time in the West, wearing modest but lovely Western dresses; everyone had an aperitif before dinner; the conversation about world events was informed, sophisticated, and urbane It was your much like an evening I much had a like bane. It was very much like an evening I spent shortly thereafter in Israel.

I dare say that sort of evening would not occur in today's Saudi Arabia. Not only

would the dinner be all-male (and certainly no aperitifs) but I would imagine that the Saudi participants would be far less likely to have either studied in the West

A major part of the reason for this and other important changes in the Kingdom was the Saudi royal family's reaction to the tumultuous year of 1979. We are still feeling the after-shocks today. The Saudis chose after the twin shocks of that year to strike a Faustian bargain with the Wahhabi sect and not only to accommodate their views about propriety, pious behavior, and Islamic law, but effectively to turn over education in the Kingdom to them and later to fund the expansion into Pakistan and elsewhere of their extreme, hostile, anti-modern, and anti-infidel form of Islam. The other side of the bargain was that if the Wahhabis would concentrate their attacks on, essentially, the U.S. and Israel, the Saudi elite would get a more-or-less free ride from the Wahhabis and their corruption and their life-styles would be overlooked.

As a result, as Adam Garfinkle puts it in a superb essay in the current issue of *The National Interest* ("Weak Realpolitik") this Wahhabi sect, which would have been regarded as recently as fifty years ago as "exotic, marginal and austere to the point of neurotic" by a large majority of Muslims, is extremely powerful and influential in the Muslim world due to Saudi government support and the oil wealth of

that in the Muslim world due to Saddi government support and the on wealth of the Arabian peninsula. Former Secretary of State George Shultz, not known for either a propensity for overstatement or for hostility to the Saudis, calls this deflection of Wahhabi anger toward us "a grotesque protection racket."

This Faustian bargain has had a huge effect on opinion in the Kingdom. Bernard Lewis points out that throughout most of the history of Islam in most parts of the Muslim world. Muslims have generally been most tolerant then many other relia. Muslim world, Muslims have generally been more tolerant than many other religions—Jews and Christians, as "People of the Book", were dealt with especially tolerantly. Today in the Kingdom, however, young people are systematically infused with hostility for infidels. Moreover, most young Saudis are not equipped when they graduate from school to perform the jobs necessary to operate a modern economy. Instead many are employed, if that is the right word, as, e.g., religious police—walking the streets to harass women whose veils may not fully cover their faces, for example. Young Saudis' anger based on their lack of useful work and their indoctrination is palpable. It is not an accident that 15 of the 19 terrorists who attacked us September 11 were Saudis. The New York Times (January 27, 2002) cites a poll conducted by Saudi Intelligence and shared with the U.S. government that over 95% of Saudis between the ages of 25 and 41 have sympathy for Osama bin Laden. Whether this report from the Saudi government of their young adults' views is accurate or distorted, it makes an important point about hostility to us, either by the government, the people, or both.

The Saudi-funded, Wahhabi-operated export of hatred for us reaches around the globe. It is well known that the religious schools of Pakistan that educated a large share of the Taliban and al Qaeda are Wahhabi. But Pakistan is not the sole target. I had in my office recently a moderate Muslim leader from an Asian country. He was in the U.S., seeking to obtain funds from foundations, so that he could have printed elementary school textbooks to compete with the Wahhabi-funded textbooks

that are flooding his country and that are being made available to schools at little or no cost. The Wahhabi textbooks in his country, like textbooks in Saudi Arabia, teach that it is the obligation of all Muslims to consider all infidels the enemy. As an illustration of the consequences of such teaching, I have heard that in some cases during the fighting in Bosnia in the early nineties, American churches and synagogues that were raising funds for food and other aid for the Bosnian Muslims would approach local mosques and suggest a cooperative effort. On a number of occasions they were turned down and didn't understand why. The reason was that for a Wahhabi Imam (and Sheikh Kabbani, perhaps the U.S.'s leading moderate Muslim Land (and Sheikh Kabbani, perhaps the U.S.'s leading moderate Muslim Land (and Sheikh Kabbani, perhaps the U.S.'s leading moderate Muslim Land (and Sheikh Kabbani, perhaps the U.S.'s leading moderate Muslim Land (and Sheikh Kabbani, perhaps the U.S.'s leading moderate Muslim Land (and Sheikh Kabbani, perhaps the U.S.'s leading moderate Muslim Land (and Sheikh Kabbani, perhaps the U.S.'s leading moderate Muslim Land (and Sheikh Kabbani, perhaps the U.S.'s leading moderate Muslims (and Sheikh Kabbani, perhaps the U.S.'s leading moderate Muslims (and Sheikh Kabbani, perhaps the U.S.'s leading moderate Muslims (and Sheikh Kabbani, perhaps the U.S.'s leading moderate Muslims (and Sheikh Kabbani, perhaps the U.S.'s leading moderate Muslims (and Sheikh Kabbani, perhaps the U.S.'s leading moderate Muslims (and Sheikh Kabbani, perhaps the U.S.'s leading moderate Muslims (and Sheikh Kabbani, perhaps the U.S.'s leading moderate Muslims (and Sheikh Kabbani, perhaps the U.S.'s leading moderate Muslims (and Sheikh Kabbani, perhaps the U.S.'s leading moderate Muslims (and Sheikh Kabbani, perhaps the U.S.'s leading moderate Muslims (and Sheikh Kabbani, perhaps the U.S.'s leading moderate Muslims (and Sheikh Kabbani, perhaps the U.S.'s leading moderate Muslims (and Sheikh Kabbani, perhaps the U.S.'s leading moderate Muslims (and Sheikh Kabbani, perhaps the U.S.'s leading moderate Muslims (and Sheikh Kabbani, perhaps the U.S.'s leading moderate Muslims (and Sheikh Kabbani, perhaps the U.S.'s leading moderate Muslims (and Sheikh Kabbani, perhaps the U.S.'s leading moderate Muslims (and Sheikh Kabbani, perhaps the U.S.'s leading moderate Muslims (and Sheikh U.S.'s leading moderate Muslims (and Sheikh U.S.'s leading mod lim leader, says that a substantial share of American mosques have Wahhabi-funded Imams), it is normally not believed to be permissible for Muslims to work with infidels, even if the purpose is to help Muslims. I don't believe at all that this attitude reflects the views of a substantial number of American Muslims, but it may indicate one way that the Wahhabi reach extends into this country as well.

Americans are not normally comfortable distinguishing between what is accept-

able and what is not acceptable within a religion, unless they are, say, debating views within their own church. Because of the First Amendment and American culture, most Americans tend not to make judgments about others' religions. But the Wahhabis and the Islamists whom they work with and support have a long political reach and their views have substantial political effect. One analogue for Wahhabism's political influence today might be the extremely angry form taken by much of German nationalism in the period after WW I. Not all angry and extreme German nationalists (or their sympathizers in the U.S.) in that period were or became Nazis. But just as angry and extreme German nationalism of that period was the soil in which Nazism grew, Wahhabi and Islamist extremism today is the soil in which al Qaeda and its sister terrorist organizations are growing.

Some of the consequences of this "grotesque protection racket" have been quite lethal. Amorizon doubte and the follows to appet the consequences.

lethal: American deaths and the failure to apprehend the terrorists who killed them. Garfinkle, supra, chronicles some of the history: The Saudis impeded the investigations into the Riyadh and Khobar Towers bombings that killed 23 Americans in 1995 and 1996. The Saudis refuse to participate in an FAA-run airplane manifest agreement that lets U.S. officials know who is arriving in the U.S. from abroad. The Saudis refused to take bin Laden into custody in 1996 when the Sudanese offered Saudis refused to take bin Laden into custody in 1996 when the Sudanese offered to deliver him there. They also refused to let the U.S. take Hezbollah's Imad Mughniyah (responsible for the bombing of our Marine barracks in Beirut in 1983 and the murder of a U.S. Navy diver in 1985) into custody when he had planned to stop over in Jeddah in 1995. Time and space does not permit chronicling the extensive and hideous lies about the United States and American Jews that are spread by the Saudi Ministry of Religious Affairs and government-controlled media.

What can we do about this situation?

Obviously there are issues on which we must work with the Saudi government and matters on which it is in our interest to maintain cordial relations. For example, insofar as Crown Prince Abdullah is now willing to attempt to restrain the Palestinian Authority from sponsoring and tolerating terrorism against Israel, this could contribute to progress in reducing the level of violence in the Mideast. Recent could contribute to progress in reducing the level of violence in the Mideast. Recent press reports of the Crown Prince's efforts along this line, and of his effort to restrain the Government of Syria in its support for Palestinian terrorism, may suggest some encouraging beginnings of a new Saudi policy. Any such efforts would be a major departure from the negative role the Saudis played in 2000 during the Israeli-Palestinian negotiations of that year, but obviously the U.S. Government must try to encourage a new Saudi policy, and encouragement requires cordial relations and diplomacy.

But this does not mean that we should not move to reduce the substantial leverage the Saudis have, and at times have used, as a result of their strategic location, their level of oil production and, even more importantly, their vast oil reserves. I would conclude with three measures that I believe could contribute to reducing their leverage over us. The first of these the Saudis might favor, the other two they definitely will not. But none requires confrontation, merely persistence in advancing our

national interest.

First, although we should not be seen to be withdrawing our military forces from Saudi Arabia under pressure from al Qaeda or anyone else, I believe that we should steadily take steps behind the scenes so that at a point when it is clear that we are not moving from weakness (e.g., a successful action on our part to remove the Baathist regime in Iraq would provide a good opportunity to take this action) we can transfer our remaining forces out of the Kingdom and into other facilities in the Gulf region. Not only do we not want our use of force constrained in the future by Saudi intransigence, and not only do we not want the women in our military forces subjected to restrictions and humiliation, but we have now seen the Saudis' lack of cooperation on two occasions when American troops have been killed by terrorists in the Kingdom. In my view if for this reason alone, at the first appropriate opportunity we should move our forces elsewhere.

Second, a year ago I would not have said the following, but in light of the events since September 11 I now believe it is a reasonable course. President Putin, in his response to September 11, his acceptance of U.S. military deployments (over important advisors' objections) in Central Asia and, even more surprisingly, in Georgia, his reasonable response to President Bush's withdrawal to the ABM Treaty, and his spurning of OPEC, seems to have cast Russia's lot in important ways with the West. The Russian level of oil production capacity is high and would be even higher if it were not for the deplorable state of Russian oil pipelines, most of which are still government-owned, and the lack of pipelines in many places where they are needed. I believe that we should urge Russia to take steps to obtain Western investment to modernize and expand its pipeline network, urge Europe to take more Russian oil, give American oil companies incentives to cooperate with Russian companies, and generally seek to encourage both a greater Russian share of world oil production and to increase Russian capacity, as much as possible, to provide reserve capacity for the world. There are certain aspects of Russian oil production, including Russia's climate, that will restrict Russia's ability to move as far to provide surge production capacity as one might like. And Saudi, indeed Gulf, oil reserves will be central to the oil business as long as oil is used. But I would like for the Saudis to perceive a coordinated Western effort to shift to Russia as much of the world's oil purchases and reliance as is practical. This would have the added positive effect of providing a tangible quid pro quo for some of the steps President Putin has taken. Moreover, for some years to come until other industries are successfully developed Russian prosperity will depend heavily upon its oil exports. Russian prosperity is far more likely than Russian poverty to encourage the growth of a middle class and the kind of stability in Russia that could now give solid roots to Russian political liberalization and the development of the rule of law.

Finally, I believe that we should undertake in this country a sharp shift toward improving vehicle mileage and also toward the replacement of petroleum-based transportation fuels with domestically-produced alternative fuels, especially those derived from wastes and cellulosic biomass. Senator Richard Lugar and I published an article over three years ago in *Foreign Affairs*, "The New Petroleum" (Jan.-Feb. 1999), on this subject, and I have provided a copy to the Committee. Briefly, our article assesses the strong advantages, from the point of view of national security, the environment, reduced greenhouse gas emissions, U.S. economic security, and rural development around the world of using the development of genetically-modified biocatalysts to enable us to move toward producing and using these fuels to reduce steadily our need for petroleum.

It is of central importance that Senator Lugar and I are *not* proposing in this piece a movement toward increased reliance on ethanol derived from corn or other starches; the latter will never provide more than a tiny share of our transportation fuel needs. Rather we are proposing a movement to fuels that can now be produced from agricultural wastes, prairie grasses, and other cheap and widely-available feed-stocks in order to reduce costs and to make these fuels competitive with gasoline even if the price of petroleum moves down into the range of \$10–15/bbl. We also stress that, unlike the case with fuel cells and the far-distant hydrogen economy, these fuels can be used in the existing transportation infrastructure—in vehicles that are currently in production and in fuel transport and storage facilities that already exist. Finally, if this effort is combined with the encouragement of higher-mileage vehicles such as hybrids now on the market, we could not only relatively quickly have vehicles (including hybrid SUV's) that achieve around 40 mpg in *fuel* efficiency (a reasonable hybrid mileage), but that also achieve well over 100 mpg of *gasoline* mileage (since a substantial share of the fuel used in such vehicles would be cellulosic ethanol).

As a general matter I believe that these steps toward reducing our reliance on Saudi bases and Saudi oil would be solidly in the interest of the security of the United States, especially in the world in which we have all lived since September 11.

Mr. GILMAN. Our next witness is William Kristol, Editor of the *Weekly Standard*, and former Chief of Staff to Vice President Quayle.

You may proceed.

STATEMENT OF THE HONORABLE WILLIAM KRISTOL, EDITOR, THE WEEKLY STANDARD, FORMER CHIEF OF STAFF TO VICE PRESIDENT QUAYLE (1989–1993)

Mr. KRISTOL. Thank you, Mr. Chairman. I ask that my prepared statement be made part of the record.

Mr. GILMAN. Without objection, your entire statement will be

made part of the record.

Mr. Kristol. Thank you, Mr. Chairman, Members of the Committee. It is good to be here. Let me summarize my points briefly.

Since the end of World War II, the United States has regarded the Saudi regime as a friend, an ally, or at least a partner for stability in the Middle East. I now believe that after September 11 we need to call this assumption into question. We need to rethink our relationship with Riyadh, for we are now at war, a war with terror and a war with terror's main sponsor in the world radical Islam; and in this war, the Saudi regime is more part of the problem than part of the solution.

It is part of the problem in a very specific way. The most recent instances of terror in the world have tended to be terror against Israeli civilians. The Saudis are financial sponsors of those terrorist acts. The documents produced by the Israeli Government, discovered by the Israeli Government in the West Bank, make this clear. I notice the State Department quietly verified yesterday the authenticity of these documents.

More particularly, when you look closely at these documents, it turns out that the Saudi financial backing is focused particularly on Hamas, the most intransigent and the most bloody—if one can rank these different terrorist organizations—in terms of its willingness to kill Israelis and, for that matter, American citizens in Israel gratuitously.

So there is precise evidence of Saudi backing of terror in addition to the broader point: Which is, in exporting Wahhabi Islam, the Saudis are exporting a kind of religious belief, or idealogy as it turns out, that encourages those who are educated in Wahhabi madrassahs or who fall into Wahhabi circles to a jihad-like incitement against non-Muslims and, in fact, against other Muslims as well.

The combination of Wahhabi idealogy and Saudi money, I believe, has contributed more to the radicalization and anti-Americanization of large parts of the Islamic world than any other single factor; and in that respect, though the Saudis don't present the kind of threat to us that Iraq and Iran or North Korea do, and therefore they may not qualify to be in the first tier of the "axis of evil," in truth, in the war on terror, thinking about radical Islamic terrorism as a problem and thinking honestly and analytically about what government is more responsible for the growth of this problem over the last couple of decades than any other. I think the Saudis have a real claim, unfortunately, to being as responsible, really more responsible as any other government for fostering the climate in which these terrorists have been produced and, indeed, for turning at best a blind eye and at worst giving a wink and a nod to the development of terror in Islamic circles around the world.

This has been a terrible disservice, among other things; apart from all the horrible death and grief and damage it has caused and the potential for instability around the world, it is, of course, a horrible disservice to the religion of Islam itself, which the Saudis have tried to hijack, in a sense, in the name of their own particular brand.

I would emphasize that, though I am reasonably happy occasionally to put pressure on countries for their domestic human rights problems and policies—and Congressman Frank mentioned some of those—the issue here is not really Saudi self-government. As distasteful as many of us might find it, the issue is the Saudi export of Wahhabi Islam, which has helped destabilize nations around the world, which has clearly provided a breeding ground for terror, and which has been inimical to American interests and American principles. So we are not talking here about gratuitously deciding that we happen to dislike Wahhabi Islam. We are talking about the real-world, practical consequences of real-world, practical Saudi policy of exporting Wahhabi Islam.

There is no law of nature that says the Saudis have to spend a billion dollars a year funding Wahhabi Islam around the world, trying to exclude and damage other forms of Islam in some of these countries. They could stop this. And one of the first things we could do, and should be doing, is pressuring the current regime to stop it. I think the only way to pressure the Saudis to stop is through a combination of public and private diplomacy. Moreover I think this public pressure could help those who probably are genuine re-

formers within the Saudi regime.

Reports are that Crown Prince Abdullah is perhaps such a reformer. It would help his efforts to reform, just as it helped Gorbachev's efforts to reform the Soviet Union, I would argue, for the U.S. to make clear that the status quo is unacceptable—that unless they reform, there will be real consequences. And just as Gorbachev was faced with the unappealing prospect of a big arms race that he couldn't win and with President Reagan challenging the moral claims of the Soviet regime, I believe that, if you think there is a realistic prospect for internal reform in the Saudi regime, the single best thing we could do in addition to some private work is to pressure publicly the Saudi regime to change and make clear that the status quo is unacceptable.

First, we should demand the cessation of the funding of radical Wahhabi Islam around the world, insisting on what President Bush has otherwise insisted on—either you are with us or you are against us, either you help us in the fight against terrorism or you don't. And, as I say, this isn't simply a theoretical issue. The Saudis actually are held, I think, reasonably responsible for much of the underlying educational infrastructure which has turned out

to be a breeding ground for terrorism around the world.

We have all been struck, Mr. Chairman, in the last few days by the warnings that the Administration has given us about the possibility, the likelihood—and sometimes they say the inevitability, although I hate to hear that word—of renewed acts of terrorism here in the United States.

We have also seen renewed terrorism not just against Israel, but against Frenchmen and against Germans in Tunisia and Pakistan.

The truth is, and I say this with regret, that with respect to the actual individuals who commit these acts of terrorism, if we trace back who funded them, who helped persuade them that terror was an appropriate instrument of policy, we are going to find Saudi money and Saudi support, just as we would if we actually inves-

tigated seriously the roots of September 11.

Mohamed Atta left Egypt, went to Germany. What did he do in Germany? Who funded the mosques he attended in Germany? Whose money was it that helped put together the terrorist network that he was a part of? I suspect there is Saudi money and Saudi export of Wahhabi Islam behind much of this terror. And, if we are serious about the war on terrorism, I think we have to be really serious about telling the Saudi regime that this is unacceptable. We can, of course, offer to work with them to change their policies and we can pressure them to change their policies. Ultimately, however, we can't count on them changing their policies. And that means, I think, that as a last resort, or as a possible resort, beginning to look for partners in the region other than Saudi Arabia, and preparing for a possible regime change in Saudi Arabia. This is not something we would attempt to bring about unilaterally, but of course it could happen in any case. But there are other nations with oil, and more important, frankly, nations in the region who could be and should be partners of ours.

This is especially the case if we could liberate the people of Iraq from the horrible dictator under whom they have suffered. Iraq could become an extremely important strategic partner. A democratic and pro-Western Iraq would be an important model for the

rest of the Arab world and for the Islamic world.

In general, we have learned over the last 25 years that Persian Gulf dictators, whether in Tehran or Baghdad or, I would say now, in Riyadh, are very shaky partners for the U.S. to work with and to depend on. Indeed, they often cause major problems; and I think it would be prudent and important for the United States to begin making plans for other partners in the region than the current Saudi regime.

Obviously, the first alternative is to be honest with the Saudi regime, to put pressure on them privately and publicly to mend their ways; and because I think we haven't tried to pressure them in any significant way, we shouldn't despair about the possibility of that

working.

Finally, I would simply say the one thing we have not done in this Nation, at least not publicly, is have a serious investigation into September 11—not just into U.S. intelligence failures, and not just U.S. policy failures. In addition, we should be looking into where did these people get their support, how did this network get put together, what nations—other than Afghanistan obviously—what regimes other than Afghanistan helped directly or indirectly sponsor or harbor or foster terrorists and terrorism? And that is an investigation that could be carried out by the executive branch or it could be a congressional investigation. But, in any case, it would be worth taking a serious look at how this group got put together and was able to operate in the way it did.

No one has mentioned this yet, so I will just raise this question regarding the Taliban regime in Afghanistan, which we all agree

we were right to remove from power as the host of al-Qaeda, why was the Taliban regime in Afghanistan? It wasn't exactly an indigenous bunch of Afghans who decided that Wahhabi Islam was a

wonderful way of life.

They were funded by the Saudis. The Saudis were one of three countries that recognized them. The other main one was Pakistan. We went to Pakistan on September 12 and said, either you are with us or you are against us; either you change your policies fundamentally, General Musharraf, or you too will become a target in the war on terrorism. We can debate just how much Pakistan has succeeded in changing. General Musharraf has real challenges ahead of him, but it is clear that we at least went to him and gave him an ultimatum. We have done nothing similar with the Saudis, and I think it would be appropriate to do so.

Thank you.

Mr. GILMAN. Thank you Mr. Kristol.

[The prepared statement of Mr. Kristol follows:]

PREPARED STATEMENT OF THE HONORABLE WILLIAM KRISTOL, EDITOR, The Weekly Standard, former Chief of Staff to Vice President Quayle (1989-1993)

Since the end of World War II, the United States has regarded the al-Saud regime as a friend, or an ally, or at least a partner for stability in the Middle East. After September 11, it is time to call this assumption into question. It is time for the United States to rethink its relationship with Riyadh. For we are now at war—at war with terror and its sponsor, radical Islam. And in this war, the Saudi regime

is more part of the problem than part of the solution

The case for reevaluating our strategic partnership with the current Saudi regime is a strong one. Begin with the simple fact that 15 of the 19 participants in the September 11 attacks were Saudi nationals. That's something the Saudis themselves could not initially admit. A large proportion—perhaps as high as 80 percent, according to some reports—of the "detainees" taken from Afghanistan to Guantanamo Bay are Saudis. And although Osama bin Laden has made much of his antipathy to the Saudi regime, his true relationship with the royal family is certainly more complex and questionable. The Saudis refused, despite the urgings of the Clinton Administration, to take him into custody in 1996 when Sudan offered to deliver him.

The Saudis also have been deeply implicated in the wave of suicide bombers that

have attacked Israeli citizens—and American citizens in Israel—in recent years. Again, initial Saudi official reaction has been to deny the link. Even as documents captured by Israel in its spring offensive against the Palestinian Authority revealed the Saudi role, the kingdom's ambassador to the United States denounced as "base-

the Saudi role, the kingdom's ambassador to the United States denounced as "baseless" any suggestion that Saudi money "goes to evildoers." The Israelis, Prince Bandar complained, were engaged in a "shameful and counterproductive" attempt to discredit his family "which has been a leading voice for peace." The charge "that Saudi Arabia is paying suicide bombers" is "totally false," he said.

The prince's claim is proven false not simply by the documents discovered by Israel but by the Saudi government's own press releases. One from January 2001 boasts how the "Saudi Committee for Support of the Al-Quds Intifada," headed and administered by Prince Navef hin Abdulaziz, the kingdom's interior minister, has administered by Prince Nayef bin Abdulaziz, the kingdom's interior minister, has distributed \$33 million to "deserving Palestinians" including "the families of 2,281 prisoners and 358 martyrs." Other releases from subsequent months detailed further payments to Palestinian "martyrs" totaling tens of millions of dollars. Public announcements in Palestinian newspapers have given instructions on how to receive payments from the intifada committee. And the documents make clear the close connection between the Saudis and the terrorist Hamas organization in particular.

But even more important than funding terrorist acts has been the Saudi regime's general and aggressive export of Wahhabi fundamentalism. "Saudi Arabia," writes Michael Vlahos of the Johns Hopkins School of Advanced International Studies, has sought to make Islam a sort of wholly-owned subsidiary of the Saud family. Wahhabi teachings, religious schools and Saudi oil money have encouraged young Muslims in countries around the world to a jihad-like incitement against non-Muslims. The combination of Wahhabi ideology and Saudi money has contributed more to the radicalization and anti-Americanization of large parts of the Islamic world

than any other single factor.

It has taken something like willful ignorance on the part of successive American administrations to ignore such developments or explain them away, and to maintain the fiction that the Saudis are our "strategic partners." Clinton National Security Adviser Sandy Berger lamented—once safely out of office—that "the veil has been lifted [from over U.S.-Saudi relations] and the American people see a double game they're not terribly pleased with." Brent Scowcroft, always cautious, admitted, "We [Americans and Saudis] probably avoid talking about the things that are the real problems between us because it's a very polite relationship. We don't get all that much below the surface." Former Secretary of State George Shultz bluntly terms the

much below the surface." Former Secretary of State George Shultz bluntly terms the traditional U.S.-Saudi relationship "a grotesque protection racket."

Clearly, the long tradition of quiet diplomacy with the Saudi monarchy no longer serves American purposes. The royal family has taken silence as consent in its strategy of directing Arab and Islamic discontent away from the House of Saud and toward the United States, Israel and the West. This is a strategy inimical to American security and a dangerously crippling problem in President Bush's war on ter-

rorism. The first step in fashioning a realistic American policy toward Saudi Arabia is understanding the nature of the Saudi regime. We should begin by a public, detailed and thorough investigation—perhaps initiated by this committee—into the Saudi role in the events of September 11. This should be a broad investigation, addressing the ideological preparation, financing and recruitment of terrorists eager to commit suicidal attacks. Congress should not be deterred in this by any concurrent investigations by the Justice Department.

Public knowledge can then be the basis for public dislocator.

Public knowledge can then be the basis for public diplomacy. Only by applying pressure can we encourage whatever modernizing movement there may be within the royal family and the armed forces while isolating the radical Wahhabi clerics and their supporters. Prince Abdullah is sometimes seen as a reformer. We should give him every incentive to reform the current Saudi regime, and the main such incentive would be to tell him, privately and publicly, that the status quo is unaccept-

Beyond speaking truth to the House of Saud and encouraging modernization within Saudi Arabia, the United States should demand that the Saudis stop financing and encouraging radical and extreme Wahhabism, beginning with mosques and charities in the United States but extending also throughout the Islamic world, including Pakistan, Afghanistan and other trouble spots. Given its role in providing a breeding ground for anti-American terror, the export of Wahhabism is a clear and present danger to the United States and its citizens. In general, we must make clear that the Saudis can no longer play both sides of the fence. What President Bush has demanded of others—to cut off all support for terrorists and to stand with the United States—applies also to Saudi Arabia.

At the same time, it is clear that we cannot base our strategy for the region on the hope that the Saudis will moderate their behavior to suit our interests. To the Saudis we have been, at best, allies of convenience, shielding them from other would-be regional hegemons with greater conventional military strength, larger populations and the same property of the Saudi degine to greate a galiebete of ulations and more diverse economies. The Saudi desire to create a caliphate of

money and religious extremism depends upon an unwitting American partner.

So in addition to hoping for and encouraging change from within Saudi Arabia, we should develop strategic alternatives to reliance on Riyadh. In the military sphere, we have already begun to hedge, with agreements and deployments to other Gulf emirates. Although still the strongest influence on oil prices, other sources—in Russia, the Caspian Basin, Mexico and elsewhere—can be developed and brought to market at a reasonable cost. The attacks of September 11 remind us that it is not just what we pay at the pump but what we pay in lives, security and international political stability that comprise the true price of Saudi oil.

In particular, removing the regime of Saddam Hussein and helping construct a decent Iraqi society and economy would be a tremendous step toward reducing Saudi leverage. Bringing Iraqi oil fully into world markets would improve energy economics. From a military and strategic perspective, Iraq is more important than Saudi Arabia. And building a representative government in Baghdad would demonstrate that democracy can work in the Arab world. This, too, would be a useful

challenge to the current Saudi regime.

In sum, we should not be attempting to preserve our past relationship with Saudi Arabia but rather forging a new approach to the greater Middle East. We have learned at great cost that Persian Gulf dictators, be they in Tehran, Baghdad or Riyadh, are shaky partners at best and cause major problems at worst. In the future we must find an alternative—either through reform in Saudi Arabia and/or the fostering of other relationships with truer allies-to a Saudi regime that funds and foments terror.

Mr. GILMAN. Our final panelist is Dr. Gregory Gause, Associate Professor of the Department of Political Science at the University of Vermont.

You may proceed.

STATEMENT OF F. GREGORY GAUSE, ASSOCIATE PROFESSOR, DEPARTMENT OF POLITICAL SCIENCE, UNIVERSITY OF VERMONT

Mr. GAUSE. Thank you, Mr. Chairman. It is an honor to have

this opportunity.

September 11 has focused all our attentions on Saudi Arabia in a way that is unparalleled in the history of the U.S.-Saudi relationship even during the days of the Saudi oil embargo of 1973–74. The negative feelings among Americans toward the Saudis are certainly understandable, particularly given the originally equivocating response of many Saudi officials to the event and to American requests for Saudi assistance in our war against the Taliban and al-Qaeda.

The intensity of those negative feelings toward Saudi Arabia, however, is at least somewhat based on what I think is a false premise, that Saudi Arabia is our friend in a way that Great Britain or Canada is a friend to the United States, sharing our cultural values, our system of government, our general view of the world. This belief, I think, stemmed in large part from our cooperation with Saudi Arabia in the Gulf War and the very close military and political relations we have had with Riyadh since 1991. Thus, in the minds of many, if September 11 and its aftermath have proved that Saudi Arabia is not a friend, then it must be something of an enemy. I think that conclusion is equally false.

We should think of Saudi Arabia not as a friend nor as an enemy, but as a strategic partner on a limited number of very important issues for our national interests, most importantly on oil issues and the stability of the Persian-Arabian Gulf area. The Gulf War exemplifies this strategic partnership. We did not fight the Gulf War because we liked the Saudis or to do them any favors. We fought that war because we have a national interest, recognized since World War II and codified in the Carter Doctrine of 1980, in preventing any hostile power from dominating a region that contains two-thirds of the world's known reserves of oil. Thus, we can

work together on this centrally important issue.

The fact that a majority of the 19 terrorists who perpetrated the attacks on our fellow citizens and our country on September 11 were from Saudi Arabia has raised important questions about the Saudi domestic political system in the minds of Americans. It is undoubtedly true the official interpretation of Islam in Saudi Arabia, what is referred to here in the West as "Wahhabism," is doctrinally rigid, limited and extremely conservative in dealing with modern intellectual innovations. However, this has been true since the founding of the Kingdom of Saudi Arabia and throughout the more than 50 years of the U.S.-Saudi relationship. Osama bin Laden and those Saudis who perpetrated the events of September 11 were animated not by the official Islam preached in Saudi Arabia today but by a transnational Islamist movement, based on an extreme, gross interpretation of Muslim history and philosophy

that unfortunately has attracted adherence in small but significant numbers, from across the Arab world and across the Muslim world in the past 2 decades.

There are certainly many Saudis who have been caught up in this movement, even some within the official religious hierarchy in Saudi Arabia, but also many Pakistanis, Egyptians, Jordanians, Algerians, Indonesians, and others. This dangerous trend is not Saudi or Wahhabi in any exclusive sense; it is unfortunately part

of the zeitgeist of the whole Muslim world right now.

The Saudi Government has for over a decade recognized the threat that this extremist Islamist current poses for its own stability and survival, more so since September 11. We can and should push them to police this current domestically more vigorously. If we have evidence that senior members of Saudi society, including of the ruling family, are directly supporting al-Qaeda and similar groups that are planning attacks on America, I don't think you need some academic from the hinterlands to tell our government what to do.

We can and should have forceful and productive discussions with the Saudi Government about the moneys, both official and private, that go from Saudi Arabia to Muslim charities and organizations abroad. The Saudi Government has already, since 9–11, taken some steps to exercise greater control over how Saudi charitable contributions are used abroad.

However, we should be very circumspect about making domestic reform a major issue on the U.S.-Saudi agenda. Pushing for greater openness in the political system, like elections, right now will only give forces in society that are more sympathetic to extremist Islamic positions a greater role in Saudi society and will undercut those in both the ruling family and in the larger society, small in number but in influential positions, who see the need for changes.

Saudi Arabia needs educational reform to produce graduates able to get jobs in the modern economy. This has been a matter of profound debate among Saudis long before September 11, but any educational reform that seems to be coming from American pressure will face many more obstacles to acceptance than plans generated from within Saudi Arabia itself. We need to avoid the hubris of thinking that we know how to govern Saudi Arabia society better than the Al Saud do, and to remember that any alternative to Al Saud rule in Arabia right now would be much less amenable to American interests and even, I would argue, to American values than the current regime is.

Strategic partnership does not mean agreement on all issues, as the history of U.S.-Saudi relations demonstrates. For over 50 years, we have disagreed with the Saudis on Arab-Israeli issues. Only once in that history, however, have Arab-Israeli issues led to a breach in our relations with Riyadh that profoundly harmed our interests, the 1973–74 oil embargo. Riyadh has managed to deal with its differences with us on Arab-Israeli issues since then in ways that have not directly harmed our interests, and have allowed them to manage the real and important public opinion sentiments in Saudi Arabia on the Palestinian issue.

Crown Prince Abdullah's recent initiative, while hardly a panacea for Arab-Israeli problems, is at least a step in the right direc-

tion from our perspective, but for us to try to force the Saudis to get too far ahead of their population on the Arab-Israeli issue will not only not work, it will make obtaining Saudi cooperation on other issues of importance—oil, Gulf stability, future scenarios in

Iraq—more difficult.

The closeness of the last 11 years in the U.S.-Saudi relationship has been unusual. The Saudis have always preferred to keep their American connection, particularly in its military form, over the horizon. That bit of distance was seen as useful for them both in terms of regional politics and in terms of dealing with their own people. My sense is that the Saudi rulers would prefer returning to that kind of relationship—close, cooperative, not a divorce, but maybe not so close a marriage as they have had over the past decade.

We have different societies, political systems, cultures. There is no strong constituency in our society that supports a close relationship with Saudi Arabia. Likewise, there is no real popular base of support in Saudi Arabia for close relations with the United States.

This has always been a relationship built on mutual interests, not shared values, based on common understandings among elites, not general publics. I don't think that is a bad thing. Those common interests are very important to us as a country. But putting a bit of distance back into the relationship, particularly regarding the stationing of American troops in Saudi Arabia, on the model of the 1980s, might not be a bad thing.

Thank you.

Mr. GILMAN. Thank you Mr. Gause.

[The prepared statement of Mr. Gause follows:]

PREPARED STATEMENT OF F. GREGORY GAUSE, ASSOCIATE PROFESSOR, DEPARTMENT OF POLITICAL SCIENCE, UNIVERSITY OF VERMONT

F. Gregory Gause III is an associate professor of political science at the University of Vermont, and the author of Oil Monarchies: Domestic and Security Challenges in the Arab Gulf States (Council on Foreign Relations Press, 1994).



Be Careful What You Wish For The Future of U.S.-Saudi Relations F. Gregory Ganse III

No country has more vexed Americans in the crisis that began on September 11 than Saudi Arabia. Osama bin Laden was born and raised there and is a product, albeit an extreme and unique one, of the educational and cultural milieu of the country. He was able to recruit 15 fellow Saudis, equally products of that milieu, to participate in the terrorist attacks. But America's vexation (as opposed to its revulsion, which those who perpetrated the attacks of September 11 richly deserve) is less with our Saudi enemies than with our Saudi friends.

No government in the Arab world is closer to Washington than that of Saudi Arabia. Just over ten years ago the Saudis opened their country to half a million American troops and cooperated openly with the American military effort against Iraq. Yet now Saudi cooperation with the United States appears grudging and reluctant, at least in public. Saudi leaders, at times, go out of their way to distance themselves from the United States, particularly when addressing domestic audiences.

Why the Saudi hesitancy to back America in its hour of need, particularly when bin Laden is as much their enemy as he is our?

The answer lies in how, for the Al Saud rulers of Saudi Arabia, this crisis differs from that of 1990–91. Then, their rule was directly threatened by an Arab army that had already swallowed up one monarchy. The threat presented by bin Laden and his sympathizers is much less immediate. In fact, the Saudis believed that they had, through their own security measures in the

mid-1990s, largely eliminated it domestically. Identification with the United States now, at a time of increasing anti-Americanism in the Arab world, could excite more domestic opposition to the Al Saud. With the social and economic changes that the Saudi kingdom has experienced over the past 20 years, there is a larger, more educated, and more attentive public with which the Al Saud have to deal. Rather than run the risk of alienating it through unstinting support for the United States, the Al Saud have chosen to hedge.

Which raises another question: if the Saudis have to be this attentive to their own public opinion, are they so weak and unstable that they have no value as a strategic partner? No. They are in command domestically, with the institutions of religion firmly under the state's control, the fiscal situation much improved over the past few years, and the internal cohesion of the ruling family relatively strong. They surf their public opinion more from the desire to avoid creating unnecessary problems than out of fear that an unpopular decision could mean their downfall. The Al Saud will be around for awhile, sitting on all that oil.

Which leads to the two-part question: where are Saudi-American relations going, and where should they be headed? We in the United States need to distinguish between our understandable exasperation with the Saudis' public stance in this crisis, and the broader question of whether any alternative government in Saudi Arabia would be better for us. Is it our interests that have been hurt by Saudi policy since

September 11, or our feelings? There are issues on which the United States can push the Saudis harder, like their opaque financial system, and others, like their education system, where American pressure would likely backfire. Iraq and oil could both become bones of contention in the relationship in the near future. For their part, the Saudis seem to wish to put some distance between themselves and us, to return to the close but not openly allied relationship of the pre—Gulf War period. That might not be such a bad idea.

Bin Laden and the Saudi Islamic Context
Since the middle of the eighteenth century,
when the Al Saud rulers of a small emirate
in central Arabia made a pact with the
Muslim preacher and reformer Muhammad
ibn Abd al-Wahhab, the political fortunes
of the family have been tied to his austere
and puritanical interpretation of Islam.
The ulama (men of religion) were the pillars of early Saudi administrations, acting
as judges, tax collectors, and military
recruiters.

With the advent of oil wealth in the second half of the twentieth century, Saudi rulers created a vast system of mosques, schools, and universities operated by the ulama, large bureaucracies staffed by them (including the Saudi ministries of justice and pilgrimage affairs and the women's education system), and international and nongovernmental organizations like the Islamic Conference Organization, the Muslim World League, the Muslim World Congress, and the World League of Muslim Youth to promote the spread of their interpretation of Islam.

For their part, the ulama have been highly supportive of Al Saud rule, even as oil wealth has reduced their political importance by providing the Saudi rulers with a new means to attract the support, or buy the quiescence, of their population. The doctrines of "Wahhabism" call for obedience to the ruler who accepts the doctrine, offer-

ing little support for those who would seek to overturn the political order. The higher ranks of the ulama have regularly issued fatawa (plural of fatwa, or religious judgment) condemning the domestic enemies of the Al Saud, ratifying transfers of power within the family, and supporting the policy choices of the rulers-from the modernization plans of earlier decades, with the introduction of new technologies like radio and television to the kingdom, to the difficult foreign policy choices of the 1990s, including the invitation of American and other foreign forces to the kingdom in 1990, the attack against Iraq in 1991, and Saudi participation in the multilateral Arab-Israeli peace talks that followed the Gulf War.

Official support from the men of religion has not, however, precluded serious challenges emerging to Saudi rule from those who contend that the Al Saud are not living up to the strict religious standards they profess. In the late 1920s the founder of the modern Saudi kingdom, King Abd al-Aziz (known in the West as "Ibn Saud") had to rally loyal tribesmen and townsmen to put down a revolt among his "Wahhabi" shock troops. Abd al-Aziz's success in a series of battles against them established the primacy of his family's rule over those who advocated an unlimited jihad to spread Wahhabi doctrine.

The spirit of these religiously inspired rebels, however, never disappeared from Saudi society. Their successors found both material and ideological sustenance on the fringes of the vast religious bureaucracies built by the Saudi government. Violent opposition flared up from time to time against such innovations as women's education and the introduction of radio and television, though it was easily contained by the government. In 1979, on the eve of the Muslim year 1400, a group of religious zealots captured the Grand Mosque in Mecca, the holiest site in Islam, accusing the Al Saud of abandoning the principles of Islam and calling for a general revolt. It took three weeks

for Saudi forces, advised and assisted by French special units, to retake the mosque.

It is from this tradition of religiously based rebellion, not the more formal and politically quietist tradition of establishment Wahhabism, that Osama bin Laden emerged. The political consciousness that led him to his intense antipathy toward the United States and the Saudi regime was, ironically, formed by the two great foreign policy successes of American-Saudi cooperation: the war against the Soviet Union in Afghanistan and the Gulf War.

The success of the Afghani jihad, seen literally as a miracle by many of those involved, convinced bin Laden that spiritual strength and an uncompromising commitment to battle could bring down a superpower. His acquaintance in Afghanistan with Egyptian and Palestinian Islamists introduced him to new trends in revolutionary Islamist thought, stemming from the thinking of Egyptian Muslim Brotherhood ideologue Sayyid Qutb. Qutb formulated the idea of the "modern jahiliyya," likening current Muslim governments to the oppressive pagan rulers whom the Prophet Muhammad fought, and thus justifying revolution against them.1 The American military deployment to the Gulf in 1990-91 convinced bin Laden that the United States was now seeking to dominate the Muslim world, and that the Saudi regime was complicit in this American plan.

The Gulf War opened a small window of greater political freedom in Saudi Arabia. Saudi Islamist activists began to press the regime for political change, through petitions submitted to the rulers, speeches in mosques, and even a few political demonstrations—a very unusual phenomenon in tightly controlled Saudi Arabia. By 1994, the very narrow limits of the regime's tolerance for this kind of activity had been breached. Bin Laden, who had earlier been "encouraged" to leave the country, had his citizenship stripped. Islamist activists were arrested and the Saudi government estab-

lished new committees to monitor more closely the religious bureaucracies and the activities of Islamic charities and fundraisers in the country.²

The response to this crackdown was violent, with attacks on American personnel in Riyadh (November 1995) and Dhahran (June 1996), the first attributed to Sunni radicals of the bin Laden line and the second to Shi'i dissidents allied with elements of the Iranian regime. (Shi'i make up about 10 percent of the Saudi population and are concentrated in the oil-producing Eastern Province.) Bin Laden, from his exile in Sudan and, later, Afghanistan, openly called for the overthrow of the Al Saud government and for attacks on Americans anywhere in the kingdom. In February 1998. he issued his "fatwa" establishing the "International Islamic Front for Jihad Against Jews and Crusaders," and directed the attacks on American interests around the world3

Within Saudi Arabia, the domestic violence of 1995 and 1996 led to even harsher repressive measures against regime opponents. Since that time, there have been no attacks in the kingdom on American military personnel or assets. The Saudi government even felt confident enough in June 1999 to release from prison a number of the leaders of the Islamist agitation of the early 1990s. Sympathy for, and sympathizers with, bin Laden had certainly not been eradicated from the kingdom, something recognized publicly by Prince Naif ibn Abd al-Aziz, the interior minister of Saudi Arabia.4 Bin Laden was able to recruit 15 Saudis into the September 11 operation, evidence that his message still has resonance in the darker corners of the kingdom. However, those sympathizers were unable to act inside the kingdom. Bin Laden's violent campaign against targets outside of Saudi Arabia was, indirectly, proof of the Saudi government's success against him domestically. Bin Laden was a problem, and the Saudis would like to see him disappear as quickly and as quietly

as possible, but he was a manageable problem. He was not an *immediate* threat to regime security. The attacks of September 11 did not change the Saudi calculus.

Saudi Public Opinion after September 11 The American military campaign against bin Laden, his infrastructure in Afghanistan, and the Taliban regime that hosted himperfectly understandable and necessary American response-placed the Saudis in a difficult position. It further heightened the profile of bin Laden in Saudi Arabia and the Muslim world in general. It implicated the Saudi regime in an attack on a fellow Muslim country. Riyadh had soured on the Taliban government even before it formally broke relations with it after the September 11 attacks, having withdrawn its ambassador from Kabul years earlier. However, the image of Afghanistan in the Saudi public mind-that is, a poor country that has suffered greatly but, by staying true to the faith, was able to liberate itself from superpower occupation—is a positive one. Coverage of the war in Saudi newspapers played to that sympathy, emphasizing the civilian casualties that resulted from the American attacks.

The success of the military campaign in Afghanistan lowered the Taliban's standing in the Muslim world, and in Saudi Arabia itself. Bin Laden looks increasingly like a loser, and people in the Arab and Muslim worlds (like people everywhere) do not back losers. This relieved some of the pressures felt by Saudi leaders at the outset of the campaign and made it easier for those in Saudi Arabia opposed to bin Laden to voice that opposition publicly. But at the outset, success was not assured, and the Saudis feared that being linked to a difficult and bloody American military campaign in Afghanistan would only fuel domestic discontent. While defeat in Afghanistan, or passivity in the face of the attacks of September 11, would have been much worse for America's standing in Saudi Arabia, even

victory was a mixed blessing on the public relations front. Saudi popular discourse shifted from rejection of the American military attack on fellow Muslims to accusations of American desires for hegemony over the Muslim world.

This strain of anti-Americanism in the Saudi press manifested itself in a number of ways. Hostile articles reacting to American press criticism of Saudi Arabia appeared. Saudi writers took their cue from top Saudi officials, who regularly criticized what they termed the "media campaign" against the kingdom in the United States. The Saudi press also highlighted the stories of Saudis and other Arabs who were detained in the United States after September 11. As detainees began to be released in late 2001 and early 2002, Saudi newspapers reported accusations of mistreatment by American authorities. I was asked by one young Saudi reporter this past January, when I was visiting the country, why the United States had a deliberate policy of mistreating Saudis in custody. When I questioned both the logic and the evidence underlying that assumption, he responded, "This is what is being said in the streets." While discussion of the American military presence in Saudi Arabia is not common in the Saudi press, the salience of this issue among Saudis has risen since September 11, contributing to the sour public mood toward the United States.

These complaints about American treatment of Saudis and Saudi Arabia, combined with the fears of American military power and American intentions toward the Muslim world in general in the wake of September 11, have generated among many in Saudi Arabia a belief that American policy is directed not against terrorism but against Muslim countries. This feeling builds upon the negative images of the United States that were spreading in Saudi Arabia, and throughout the Arab world in general, before September 11. Two issues, both emphasized by bin Laden's propaganda, have led to the erosion of the generally positive image

of the United States that emerged from our victory in the Gulf War of 1990–91.

The first is the Palestinian question. The resumption of violence between Israelis and Palestinians in the fall of 2000 had a profound impact on Arab public opinion. Unfortunately, the important issues of why the peace process broke down and what responsibility Palestinian leader Yasir Arafat himself must bear for that have been lost among the images of violence and death in the Palestinian community broadcast by Arab satellite television stations. Once again, the Palestinian issue is the central issue among Arab publics. Because of its close relations with Israel, and the "hands-off" stance toward the Israeli-Palestinian conflict adopted by the Bush administration until recently, the United States is inevitably implicated in the Sharon government's military response to this second Palestinian "intifada" (uprising). It is no coincidence that Saudi crown prince Abdullah, who is the effective ruler, has emphasized to his domestic audiences that, even before September 11, he had strongly warned the Bush administration of the consequences of continued inaction on the Palestinian issue. (His foray into the Arab-Israeli diplomatic thicket will be discussed below.)

The second issue besmirching the American image in the Arab world is Iraq. The United States has lost the propaganda war on the question of economic sanctions against Iraq even in those countries that felt most threatened by Saddam Hussein in 1990. The vast majority of Arabs see the sanctions as aimed not against Saddam's regime, which has withstood them for ten years, but against the Iraqi people. The sanctions policy only strengthens the belief that the United States is not opposed to Arab dictators per se, but to Arabs and Muslims in general.

Public Opinion and the Saudi Calculus
That Saudi Arabia, a monarchy with no
elections and a tightly controlled political

system, would be subject to the constraints of public opinion is puzzling on the surface, However, a look at the important social and economic changes the country has undergone over the past 40 years sheds light on why the Al Saud think they have to be as responsive to public opinion as leaders elsewhere. Rising education and literacy levels, increasing urbanization, and high population growth rates have increased the audience for anti-regime sentiment—and the potential recruiting base for opposition movements-in the country. All three trends have been associated with increased political activity and public demands in other countries.

Education levels in the kingdom have surged upward. In 1966, only 7 percent of Saudi children of primary- and secondaryschool age were in school; by 1996, the figure was 69 percent. In the 1980/81 school year, there were almost 350,000 students enrolled in secondary schools; by the 1996/97 school year, the number enrolled had risen to over 1.5 million. Between 1980 and 1997, the number of students in Saudi institutions of higher learning more than quadrupled, from just over 62,000 to nearly 274,000.5 Higher education does not push Saudis in a single political direction, either liberal or Islamist. But high school and college graduates are more likely than the general population to be informed about national political issues and to express themselves on those issues. They have developed personal networks that cut across family and tribal lines, and can draw on those contacts for mobilizing others. The prominence in Saudi Arabia of petitions as a method of expressing political demands in the "Riyadh spring" period immediately after the Gulf War testified to the impact of these educational changes on the Saudi body politic.

Rapid urbanization also contributes to the increased potential for politicization in Saudi Arabia. It is estimated that in 1950, 16 percent of the Saudi population was urban. By 1970, this number had risen to 49 percent, and today it stands at 83 percent. The population of Riyadh was under 200,000 in 1962; it is now approximately 4 million. Urban dwellers have access to more sources of information than nonurban populations, and a broader range of personal contacts that are more likely to cut across ties of family, tribe, and region of origin. Urbanization also makes for sheer concentrated numbers, an essential element of mass-based politics. As with educational levels, urbanization does not necessarily lead to the prominence of particular political beliefs. However, in the last 20 years, the correlation between urbanization and the growth of Islamist political movements has been very strong throughout the Middle East.

The extremely high population growth rate in Saudi Arabia (which ranges from over 3 percent to over 4 percent annually and has been among the highest in the world for most of the past two decades) is placing a serious burden on the Saudi welfare state. The Saudi infrastructure is now severely strained. Brownouts are common in Saudi cities; demand for water is outstripping desalinization capacities. In the year 2000, 42 percent of the Saudi population was 15 years of age or younger.7 It is no longer possible to provide every (male) Saudi graduate a job in the government, so unemployment is becoming a more serious social issue. (How unemployment can be an issue when there are at least 5 million foreign workers in the kingdom is a question the Saudi government will have to face at some point.) As the Saudi state has begun to default on its part of the social bargain—a comfortable life for all-that oil riches permitted it to make with its citizens, people are now increasingly questioning their part of the bargain—political quiescence.

The rising educational levels, increased urbanization, and economic problems all point to an increasingly politicized and potentially restive Saudi population. These factors help to explain why the Saudi regime is

more concerned about its own public opinion than it has been in the past, and why it has allowed the Saudi press more freedom in recent years than at any time in the past. If the Saudi rulers believe that their own regime security is directly threatened, they will take steps to protect themselves, even if those steps were to run afoul of Saudi public opinion. Such was the case in 1990. However, when regime security is not directly threatened—as was the case after September 11—the Saudis will be loathe to take positions that provide fodder for public discontent.

Saudi Stability

The Saudi regime walks a tightrope between an American ally it needs for its protection and public opinion that is both increasingly important to it and leery of the American connection. This is a balancing act the Saudis have successfully performed in the past. There is no sign that the regime's real domestic problems have pushed it to the brink of instability. On the contrary, the Al Saud appear better positioned to handle their problems now than they have been at any time in the last five years. After two years of relatively high oil prices, the Saudi fiscal situation is much healthier than it has been. The uncertainties surrounding decision making within the ruling family, which led in the latter part of the 1990s to decisional paralysis and tension among factions in the royal family, seem to have been worked out. The domestic Islamist movements that dominated the politics of the post-Gulf War period have been suppressed. Thus, the short- and mediumterm prognosis for the regime's stability is quite good.

Since 1983, Saudi Arabia has run a budget deficit (the government ran a surplus in 2000, the first since 1982), funded in the 1980s by drawing down financial reserves and in the 1990s by borrowing on the domestic market. Combined with the expenses of the Iran-Iraq War of 1980–88

(Saudi Arabia's support for Iraq amounted to nearly \$25 billion, according to official Saudi figures) and the Gulf War (nearly \$55 billion, again according to Saudi figures), the Saudis found themselves by the mid-1990s facing difficult budgetary choices. Living off reserves was no longer possible. Domestic borrowing had risen to over 100 percent of gross domestic product, making more domestic borrowing irresponsible. When oil prices fell to \$10 a barrel in 1998. speculators began to pressure the rival. Rather than risk the domestic consequences of serious budget cuts, the Saudis worked with the Organization of Petroleum Exporting Countries (OPEC) and other oil producers (their rapprochement with Iran was largely directed at oil cooperation) to push up the price of oil. They were very successful, with oil prices more than doubling over the course of two years. Their increased income allowed the Saudis to pay overdue bills to domestic contractors and farmers, inject more liquidity into the domestic economy, and in general set their fiscal house in order. They are therefore in a much better economic and fiscal position to face the political fallout of the post-September 11 crisis than they would have been just three years ago. With oil prices declining, this issue bears careful watching.

Family politics among the Al Saud is difficult for outside observers to assess. In general, "Those who know don't talk, and those who talk don't know." Court gossip is the coin of the realm in Saudi Arabia, but its reliability is always suspect. Most Saudiwatchers believe that in the last six years effective rule has passed from the increasingly frail King Fahd to Crown Prince Abdullah. Abdullah is not king, however, and his authority is circumscribed by his need to maintain consensus among the senior princes of the Al Saud. That group certainly includes, though might not be limited to, defense minister Prince Sultan, interior minister Prince Naif, and Prince Salman, governor of Riyadh Province.

There are always policy differences among the leading family members. Sometimes, hints of those differences become public, as they did during the extensive debate in 2000 and the beginning of 2001 over the role of women in Saudi society. A number of princes, including Abdullah, weighed into the debate with public comments. However, in the mid-1990s, as King Fahd's illness was beginning to affect his capacity to rule, the top echelons of the Al Saud seemed to be in disarray. Abdullah was named acting ruler by Fahd in January 1996, but within two months Fahd reassumed his duties, despite his illness, amid rumors that other senior princes thought Abdullah was trying to centralize power in his hands. Important policy decisions, particularly in the economic realm, were postponed. By 1998, the Al Saud appeared to have put their house in order. Abdullah's primacy in policy matters since then has not been challenged as it had been just a few years earlier. A number of important decisions have been taken since 1998 with no public sign of division at the top: the application to join the World Trade Organization (WTO), opening the Saudi natural gas fields to foreign investment, rapprochement with Iran, the OPEC production cuts of 1999-2001, and Saudi policy since September 11. There are also no public indications that any other members of the family are gearing up to challenge Abdullah's succession to the throne when Fahd dies.

Perhaps most importantly, the Al Saud remain firmly in control of the organizational structures through which popular discontent could be mobilized and organized into real political opposition: the domestic economy, the media, the armed forces, "civil society." This control makes Saudi Arabia a particularly dull place, lacking in the innovation that characterizes politically and economically vibrant societies. In the longer term, this will create serious problems for Saudi Arabia. But for the immediate future, the regime is in charge.

Its control holds even for the religious institutions, the largest and most powerful organized force in Saudi society. Their funding comes directly from the government. Everyone in the religious sector, from the grand mufti through the members of the Higher Council of Ulama and the officials in the religious ministries to the teachers in the religious colleges and the prayer leaders of the local mosques, is an employee of the Saudi state. Those who hold the top positions are all appointed directly by the king. The rulers are not afraid to fire religious leaders who do not maintain control over their institutions (as they did in the mid-1990s, forcing the "retirement" of a number of senior religious figures) or to arrest religious scholars who transgress the boundaries of acceptable criticism. Crown Prince Abdullah called in the leading figures of the religious sector on November 14, 2001, and publicly warned them to take great care with the words they use during this difficult time: "There should be no exceeding the proper boundaries in religion."9 In January 2002, two senior members of the ruling family, Prince Talal bin Abd al-Aziz and Prince Turki Al Faysal, both known for their liberal views, independently took to task in newspaper articles the secretary general of the Muslim World League, who had earlier said publicly that the ulama shared with the Al Saud family the responsibilities of rulership. The princes forcefully reiterated the fact that the rulers ruled, and the ulama advised the rulers.10

The religious sector is so vast that it is not hard to find a niche in it from which to say and write critical things about the Al Saud. One religious scholar, Shaykh Humud bin Uqla al-Shuaybi, published an incendiary fatwa early in the crisis condemning any Muslim government that cooperated in any way with the United States." However, what is more noticeable has been the silence, and even the grudging support, of past critics of the regime in the religious sector. Shaykh Salman al-Awda is

a good example. A fiery critic of Saudi policy in the Gulf War, he was jailed in 1994. He was released in 1999, after the Islamist ferment of the post–Gulf War period appeared to have died down. Since September 11, he has condemned extremism in the Islamic world, in both Arabic and in English, calling it a "deviant understanding" of Islam, or a "deviant application of legitimate teachings." ¹¹²

Another example is Shaykh Ayd al-Qarni. Al-Qarni had been banned by the government from conducting religious and proselytizing activities for some time, but after September 11 he returned to the field. He asserted in an interview that his return was with the permission of the Saudi rulers, with whom he shared the view that they had to "unite ranks, unify Muslim discourse, call to God, and avoid exaggeration" in religion (using the same words that Crown Prince Abdullah had earlier used in his November 14 meeting with the ulama). Al-Qarni criticized the rush to iihadist activities among Muslim youth, cautioned against anything that would threaten national unity in Saudi Arabia, and reminded Saudis of their obligation to loyalty to their rulers. 15

This coming together of the Saudi leadership and its former Islamist critics is the most interesting development in Saudi politics since September 11. To some extent, it could signal a decline in the credibility of the official ulama, as the regime clearly has seen the necessity of reinforcing the official condemnations of bin Laden with support from religious figures who have more credibility in Islamist circles. It also could indicate that Saudi Islamist thinkers and activists realize that, in the new world atmosphere of rejection of religious extremism, they need to trim their sails and to seek the protection of the Saudi rulers. It could simply be that these activists disagree with bin Laden. But one thing that this phenomenon does prove is the continuing ability of the Al Saud to rally support around them in a time of crisis.

The future of this entente between the Saudi rulers and their religious critics bears careful watching because while these critics are supportive of the Al Saud in the crisis, they are no friends of the United States. Al-Awda, while calling for mutual respect between Islam and the West, is extremely critical of Western society, in general, and of American policy in the Middle East, specifically.14 Al-Qarni calls the United States "an oppressor in the guise of an oppressed" and accuses it of using the pretext of September 11 to initiate wars it had previously planned. He calls Israel "a cancer in the body of the Islamic world, which will not be healed except by tearing it out from its roots."15 The Saudi regime has been able to garner support from its Islamist critics because of the public perception that the United States has been conducting a campaign of criticism and pressure against the Saudi rulers since September 11. It is tempting for Arab leaders to use foreign policy, particularly anti-Americanism, to manufacture short-term popular support. The Al Saud have avoided that trap in the past and do not seem to want to play that game in any serious way now. If people like al-Awda and al-Qarni continue to play a prominent role in the kingdom's politics, with the blessings of the Saudi rulers, that cannot be a good sign for future U.S.-Saudi cooperation

It is undoubtedly true that the extremely strict, intolerant version of Islam that is taught and practiced in Saudi Arabia created the milieu from which Osama bin Laden and his recruits emerged. But from the Saudi regime's point of view, they are an aberration from the Saudi religious norm, which has been overwhelmingly supportive of Al Saud rule. The support provided by both the religious establishment and Islamist critics to the Saudi government since September 11 has solidified that historic alliance. Bin Laden's organization might have been able to recruit individuals within Saudi Arabia, but it could not organize activities

in Saudi Arabia. Such individuals are a security problem, not an ideological or political problem, and one that the Saudi regime has successfully driven out of the country (although, it is clear now, with disastrous consequences for the United States).

The Future of U.S.-Saudi Relations In the aftermath of September 11, every major American newspaper has called for a fundamental reassessment of U.S.-Saudi relations. The New York Times (October 14) and the Washington Post (November 11) used the same title in their editorials: "Reconsidering Saudi Arabia." The Times says those relations are in an "untenable and unreliable state" because of "Saudi Arabia's tolerance for terrorism." The Post says that Saudi Arabia's "autocratic system...is itself one of the root causes of Islamic extremism," Both call for the United States to press Riyadh for major domestic political reforms toward greater political openness as the antidote to the problems in the relationship.

Saudi Arabia is accused of promoting terrorism in a number of ways. The journalist Seymour Hersh says that the Saudi government directly funds terrorist groups to buy protection. 16 Hersh provides no evidence to substantiate that claim, and it runs against what we know of Saudi policy domestically in the 1990s, and what we know about the Saudi government's dealings with the Taliban. In 1998, after the U.S. embassy bombings in Kenya and Tanzania, the head of Saudi foreign intelligence, Prince Turki Al Faysal, visited Kandahar to convince the Taliban to turn over bin Laden to international justice. They refused, and the Saudi ambassador to Kabul was shortly thereafter recalled.17 If the U.S. government has information that the Saudi government, or senior Saudi princes, have knowingly and directly funded anti-American terrorists, it should have no doubt about what to do: demand an immediate end to the practice, publicly identify those who engage in such practices, and bring them to justice.

The more common accusation regarding Saudi Arabia as a source for terrorist funding is that the Saudi government has been less than vigilant in preventing financial contributions by Saudi citizens to bin Laden's al-Qaeda and groups like it, in allowing front groups for violent Islamist extremists to collect contributions from Saudi citizens under the pretext of soliciting for charity, and in not properly monitoring the overseas activities of branches of what are otherwise legitimate charities. I have no doubt that these charges contain some truth, and the United States is pushing the Saudis very strongly to get a better handle on these issues. After some initial hesitation, the Saudis seem to be cooperating more fully in this regard, announcing this past February the freezing of a number of accounts. No government can completely police where the private funds of its citizens go, but the Saudis can certainly do a better job. The United States should continue to push for greater transparency in the Saudi financial system. Economic reformers in Saudi Arabia want it; membership in the WTO, which Saudi Arabia seeks, requires it.

The other way the Saudis have been accused of promoting terrorism abroad is by funding-through Saudi-sanctioned charities and international Muslim organizations-Muslim schools and institutions, from Pakistan to Europe to the United States, that have become recruiting stations and training grounds for terrorists. A comprehensive accounting of just what kinds of official Saudi support go to which schools, and where, is lacking, which has allowed all sorts of charges to be leveled against Rivadh. There is certainly no evidence that the Saudi government encourages institutions abroad to preach hatred against the United States. The Saudis have a responsibility to monitor carefully the educational institutions they support and that solicit contributions from their citizens. They should be pressed to do so, if they prove hesitant. The countries in which these institutions operate also have an obligation to make sure that what occurs in them is consistent with their laws and traditions.

All of these accusations relate to what the Saudi government and Saudi citizens do, or support, outside their borders. The United States can and should press the Saudis on all these questions, when the evidence justifies it. What happens within Saudi Arabia is a different story. Washington needs to tread very carefully regarding internal Saudi educational and religious practices to avoid a damaging backlash against reform efforts already advocated by Saudi reformers, both inside and outside the government.

It has been widely reported in the United States that the Saudi educational system and cultural milieu foster a narrow interpretation of Islam that either intentionally or directly encourages hostility toward non-Muslims and other Muslims who do not accept the Wahhabi doctrine, or creates an atmosphere in which impressionable youths can be recruited by groups who profess such hostility. There is some evidence to support this contention, but arguing that this implicates the Saudi government in the attacks of September 11 makes no sense. Bin Laden, who was responsible for the attacks, had been expelled from Saudi Arabia years before. Those Saudis recruited into his operation were, for the most part, indoctrinated and trained abroad, not in Saudi Arabia. The recruitment process in Saudi Arabia emphasized work for Muslim charitable organizations. Only when the recruits arrived abroad, in Pakistan or Chechnya, did al-Qaeda recruit those willing to engage in violent acts. Moreover, the Saudi educational system, and the kind of religious instruction it provides, has been a constant for decades. The particular mix of factors that produced the terrorism of September 11 has more varied and recent roots; it cannot be reduced to the flaws in the Saudi curriculum.

The Saudi government's responsibility for terrorism is, at best, indirect and not at all intentional. Why, then, the harshness of

the American media reaction against it? I think it has more to do with harm to American feelings than to American interests. We expected our friends to stand with us after September 11, without question and without hesitation. Since the Gulf War, we have counted Saudi Arabia in the camp of our friends. At a minimum, the Saudis were supposed to be grateful to us for saving them in 1990-91 from Saddam Hussein. But they are not friends in the way that the Canadians or the British, who share our domestic values and our overall worldview, are. Moreover, "gratitude" is not a convertible currency in international relations. Rather, the Saudis are strategic partners who share a number of common interests with us. We can work with them when those interests coincide, as they frequently do. The Saudis' first reaction to any policy choice is not, How can we help the Americans on this? but, How can we help, or at least not hurt, ourselves? In this, Saudi Arabia is like almost every other country in the world. Those who thought otherwise, who put the Saudis in the "friends" category, have swung to the other extreme and now come close to labeling them as "enemies." That is equally misraken.

While Saudi public statements on the recent crisis have frequently been infuriating to Americans (like the frequent denials by Prince Naif, the interior minister, that Saudis were involved in the September 11 attacks), we need to remember that the successful American air campaign over Afghanistan was directed from the command center at the Prince Sultan Airbase, south of Riyadh. Saudi political and religious leaders have unanimously and frequently condemned the attacks, and have quietly used their leadership role in the Arab and Muslim worlds to have organizations like the Arab League and the Islamic Conference forthrightly condemn them as well. For example, the Islamic Jurisprudence Group of the Muslim World League, meeting in Mecca in January of this year, adopted a directive on jihad and terrorism that could have been written by the Bush administration. It limited jihad to certain very specific circumstances and forbade the killing of innocents and the destruction of property not directly linked to battle. We have pressed the Saudis for more open intelligence sharing, with some positive results, and we should continue to press them on that score. In short, we have gotten what we need even if we have not gotten all that we want from the Saudis during the first phase of the war against terrorism.

As we approach the second phase of this new war, the Saudi-American relationship is in for a bumpy ride. If the Bush administration chooses to attack Iraq, it will need and expect logistical support and access to bases from Saudi Arabia. Given the Saudi reluctance to be identified publicly with the Afghanistan campaign, it is unlikely that Riyadh will sign on for a campaign against Saddam Hussein without some very explicit promises from the United States about how long the campaign will last, the absolute certainty of Saddam's removal, and the composition of a successor government, if it will sign on at all. Oil issues might also create frictions. When Saudi Arabia mobilized OPEC and non-OPEC producers in 1999 and 2000 to limit oil production and push prices up, the United States was enjoying unprecedented economic prosperity. Americans could afford to pay a bit more for gas. With the more uncertain current economic situation, we will look to the Saudis to play a restraining role in the oil markets, as they have so far. However, their need for revenue at some point could come into conflict with our desire to keep oil prices low.

These thorny international issues on the Saudi-American agenda will be even more difficult to handle if Washington chooses to follow the advice of our leading editorial writers and make Saudi domestic politics a focal point of the relationship. Those who call for American pressure on the Al Saud to open up their political process should be

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careful what they wish for. Saudi cooperation on Iraqi and Arab-Israeli issues will be more, not less, difficult to achieve if the Saudi public has a greater say in the country's foreign policy. If you are worried about the level of anti-Israeli rhetoric in the Saudi press, permitting more press freedom will not solve your problem. The kinds of economic change that Saudi Arabia needs to maintain its long-term stability-more rational pricing of public services, limits on the size of the government's budget, more efficient management of public sector enterprises, integration into the WTO-will, in the short run, increase public dissatisfaction with the government. In short, some hard choices that the United States wants the Saudi leadership to take will require more, not less, insulation from immediate public opinion pressures.

Moreover, any elections in Saudi Arabia now would be won by people closer to bin Laden's point of view than to that of liberal democrats. They have the organizational resources through the vast religious bureaucracies to mobilize support; they also have the vocabulary of Islamist activism that can motivate supporters. If we press the Saudis about their domestic political system, it should be to do things that will give more moderate voices greater access to the decision-making system: to increase the public role of the current Consultative Council, where American-educated technocrats and merchants are heavily represented, and to adopt legislation to encourage private schools, not subject to the oversight of the religious bureaucracy, to operate. There is an active debate in Saudi Arabia, predating September 11, about the need to reassess the educational system in light of the changing world economy. Pressure from the United States on this issue will only work against those in Saudi Arabia who seek reform. Americans can offer advice if asked. In general, however, Washington ought to resist suggesting that it knows better than the Saudis themselves how to manage their society. What would come after Al Saud rule, if reformist openings lead to revolutionary fervor, would not be an improvement from the point of view of either American interests or American values.

What do the Saudis want from the United States? Since the Gulf War, what had been a close relationship has become even more intimately intertwined. This has undoubtedly created tensions in Saudi Arabia and misgivings among the Saudi rulers, who were very comfortable with the pre-1990 political distance that having the United States "over the horizon" provided. The current crisis has crystallized the Saudi leadership's desire to put some daylight between itself and Washington. This was most noticeable in Crown Prince Abdullah's statements to groups of leading citizens called together in late October and early November about the difficulties that the Palestinian issue had introduced into the bilateral U.S.-Saudi relationship. He told his listeners about a letter that he had sent to President Bush in late August last year that included the admonition that "from now on you have your interests and the kingdom has its interests, and you have your road and we have our road."15

But it is equally clear that the Saudis do not want a divorce. When Abdullah revealed his harsh letter to President Bush. it was to demonstrate to his listeners how useful Saudi-American ties are to the Palestinians. Shortly after he sent the letter, he reminded his audiences, President Bush publicly supported the establishment of a Palestinian state. Abdullah's comments this past February to New York Times columnist Thomas Friedman about a possible Saudi initiative in the Arab League to restart the Arab-Israeli peace process are another indication that Riyadh still wants to be useful, and wants to be seen as being useful, to Washington.20 The Al Saud realize that any public step away from the United States could backfire on them, decreasing their security in the long term. The Bush

administration, with its constant reiteration of satisfaction with the Saudi role in the current crisis, seems eager to accommodate Riyadh.

However, it would be in the interest of both sides to seek a return to the kind of relationship the kingdom had with the United States before 1990-close, but "over the horizon." The most tangible symbol of the post-1990s Saudi-American relationship is the deployment of approximately 4,000 to 5,000 U.S. military personnel in the kingdom, an air force air wing that patrols the skies over southern Iraq. It is those forces that bin Laden has railed against as defiling the holy places of Islam for nearly a decade. Though denied officially by both Washington and Rivadh, the Washington Post reported in January that the Saudi government is on the verge of asking for the redeployment of those forces out of the kingdom.21 Once bin Laden is no longer around to claim a victory were those forces to leave, it could be in our mutual interest to decide with the Saudis if their presence were still necessary. This could only be done in the context of a U.S.-Saudi agreement on how to proceed on the Iraqi issue, which is the most immediate and difficult issue on the agenda between Washington and Riyadh.

The tensions between the United States and Saudi Arabia since September 11 have highlighted an uncomfortable truth about the relationship that dates back to its very beginnings. On neither side is there a strong public constituency for the relationship. It is a relationship between elites, based on very clear understandings of mutual interest. There is no sentiment in it. The myths propagated by those on both sides whose business it is to maintain the relationship ring hollow. Americans look at the kingdom and see social practices that they find intolerable. The Saudis-officials and the general public-cannot comprehend that outsiders have honest criticisms of the way their system works, and thus attribute such criticism to pro-Israeli forces. Americans cannot understand why the Saudis cling to their "traditional" (read "un-American") relationship between religion and politics. Saudis cannot understand why the United States is so supportive of Israel. Each is the perfect foil for journalists and propagandists in the other country.

In the end, after the media in both countries have found other issues upon which to concentrate their energies, and the bitterness of the post-September 11 environment has dissipated, there will remain the compelling fact that every American president since Franklin D. Roosevelt has recognized: oil is a strategic commodity, and there is more of it in Saudi Arabia than anywhere else in the world. We ignore that fact at our peril. It is better for the citizens of the United States, and for the stability of the world economy, that the government that controls all that oil have a cooperative relationship with Washington. The Al Saud, for all their faults, have maintained such a relationship with the United States for more than half a century. This might not be a very idealistic basis for a foreign policy. But those who seek a fundamental change in Saudi Arabia and in the U.S.-Saudi relationship bear a heavy burden of proof to demonstrate that any realistic alternative to that regime and that relationship would be more beneficial for the United States, for the people of Arabia, and for the world economy.

Notes

- 1. On Quth's idea of the modern jabiliyya, see Emmanuel Sivan, Radical Islam (New Haven: Yale University Press, 1985); and Ahmad S. Moussalli, Radical Islamic Fundamentalism: The Ideology and Political Discourse of Sayyid Quth (Beirut: American University of Beirut, 1992).
- For a detailed account of the official Saudi reaction, see Joshua Teitelbaum, Holier Than Than: Saudi Arabia's Islamic Opposition, policy paper no. 52, Washington Institute for Near East Policy (2000), chap. 7.
- 3. For a discussion of the development of bin Laden's political thought, particularly in the Saudi

context, see Mamoun Fandy, Saudi Arabia and the Politics of Dissent (New York: St. Martin's, 1999), chap. 6.

- 4. See the report of the prince's speech to police officials in which he said, "Unfortunately, we find in our country those who sympathize with them," referring to bin Laden and al-Qaeda, in Al-Hayat, October 19, 2001, pp. 1, 6.
- Statistical Yearbook, United Nations Educational, Scientific and Cultural Organization (UNESCO), various years.
- 6. Earlier figures can be found in Michael E. Bonine, "Population, Poverty and Politics: Contemporary Middle Eastern Cities in Crisis," in *Population. Poverty and Politics in Middle East Cities*, ed. Michael E. Bonine (Gainesville: University Press of Florida, 1997); and Rayed K. Krimly, "The Political Economy of Rentier States: A Case Study of Saudi Arabia in the Oil Eta, 1950–1990," unpublished Ph.D. dissertation, George Washington University, 1993. Recent figures are from Population Reference Bureau, "2001 World Population Data Sheet," available at www.prb.org.
- 7. Population Reference Bureau, "2001 World Population Data Sheer."
- 8. For an extensive discussion of the Saudi economic and fiscal situation, see the recent analysis by Brad Borland, chief economist of the Saudi American Bank, available at www.samba.com.sa/investment/economywatch/pdf/2001Budget.pdf.
- 9. As reported in *Al-Hayat*, November 15, 2001, p. 8.
- 10. Turki Al Faysal's article appeared in Al-Sharq al-Ausat on January 20, 2002 in the religion section. See www.asharqal-awsat.com/pcdaily/2001-2002/religion/religion.html. The article by Talal ibn Abd al-Aziz was referred to in Al-Hayat, February 6, 2002, p. 2.
- 11. For that fatwa, see www.aloqla.com/mag. On al-Shuaybi, see Douglas Jehl, "For Saudi Cleric, Battle Shapes Up as Infidel vs. Islam," *New York Times*, December 5, 2001.
- 12. See, in particular, his article on "al-tatarruf wa al-tatarruf al-mudad" (Extremism and counter-ex-

- tremism), December 12, 2001, www.islamtoday.net. On that same website one can find in English his condemnation of the September 11 attacks and the full text of his interview with *New York Times* correspondent Douglas Jehl, which was the basis for the article, "After Prison, A Saudi Sheik Tempers His Words," which appeared on December 27, 2001.
- 13. See his interview in Al-Hayat, February 4, 2002, p. 15.
- 14. For his criticisms of the philosophical underpinnings of Western notions of freedom, see Al-Hayat, January 18, 2002, p. 10. For his specific criticisms of American policy, see his English-language statements at www.islamtoday.net. For example, while he condemns the attacks of September 11 as "a horrible thing born of arrogance," he goes on to say that they were "the bitter fruit of a tree planted by America, for America has succeeded brilliantly in making enemies for itself."
 - 15. Al-Hayat, February 4, 2002, p. 15.
- Seymour M. Hersh, "King's Ransom," New Yorker, October 22, 2001.
- 17. This version of events, put forward in press interviews by Prince Turki Al Faysal, former head of Saudi foreign intelligence (see the series of articles in Arab News, November 4–8, 2001, which provide the transcript of an extended interview given by Prince Turki to the Middle East Broadcasting Company, an Arabic-language satellite television station), is confirmed by Ahmed Rashid, Tuliban (New Haven: Yale University Press, 2001), pp. 138–39.
- 18. The text of the directive may be found in Al-Hayat, January 11, 2002, p. 2.
- 19. As reported in Al-Hayat, November 6, 2001, p. 7.
- 20. Thomas L. Friedman, "An Intriguing Signal from the Saudi Crown Prince," New York Times, February 17, 2002.
- 21. David B. Ottaway and Robert G. Kaiser, "Saudis May Seek U.S. Exit: Military Presence Seen as Political Liability in Arab World," *Washington Post*, January 18, 2002.

Mr. GILMAN. One of our Members has a meeting within a few minutes, and with the Committee's indulgence, I will call Mr. Pitts at this time.

Mr. PITTS. Thank you, Mr. Chairman. Thank you for your courtesy, and I will submit my opening statement for the record if that

is agreeable.

To the panel, when the Crown Prince visited the President in Crawford, Texas, recently, he brought a prominent government cleric named Sheik Saad Al-Buraik with him in his entourage. You probably read some of the things he said. Let me give you a couple quotes. This is what he said about America,

"I am against America until this life ends. Until the day of judgment, I am against America. Even if the stone liquefies, she is the root of all evil, the wickedness on Earth."

This is what he says about Jews and Christians,

"Don't take the Jews and Christian as allies. Do not have any mercy, neither compassion on the Jews, their blood, their money or their flesh,"

and I won't read the more shocking statements about Jewish women.

But my question is, why would Saudi Arabia act like our ally and support government clerics like this who have such blatant anti-American racist statements? Often in their official and semiofficial government organs they permit criticisms, anti-American statements that show a strong antipathy toward America.

And would you comment on these remarks and what the U.S.

Government should do in response, Mr. Woolsey?

Mr. WOOLSEY. I think these are rather mainline Wahhabi views, Congressman. I think if one reads the translations by MEMRI and other services of statements from Saudi clerics and even some government ministries and certainly government controlled media, this is what they say. Sometimes they say it slightly less pungently than the Sheik did. Sometimes they say it more vividly.

I understand there were a number of American churches and synagogues during the Bosnian fighting in the early 1990s that were collecting funds, as we do here in this country, for the relief of the Bosnian Muslims, and on a number of occasions they would go to a local mosque and propose that they work on it together and would be turned down. The reason was that the imam was Wahhabi and his view was that Muslims don't cooperate with infidels even to help other Muslims.

The view of such a Wahhabi imam might well parallel what you

Now, not all Wahhabis are that pungent, but this is not outside—just following this as a reader of the Internet—not outside the range of mainline Wahhabi comment, particularly since September 11, but before that as well.

Mr. PITTS. What about the comments of officials, Saudi officials, in their government? The Saudi Ambassador to London talked about our President. He said,

"From the very beginning it was obvious that little George wanted to come out from under the shadow of big George. The

truth is that his complex was evident even before he entered the White House when he insisted on introducing himself as George 'Dubya,' as he pronounced it. His complex became deeper when he needed the help of the old faces of his father's Administration. If we take into account the Freudian problems from which no family is free—one example, W's past alcoholism, his father's disappointment, other problems, the younger brother is smarter,"

et cetera, et cetera—is this appropriate language for government officials to use and do you know, yes, the Saudi Government tolerates such statements?

Mr. Woolsey. I will defer to Ambassador Murphy on that.

Mr. Murphy. That is language that no Ambassador should use is the short answer.

The malevolence—and this wasn't malevolence; this man considers himself an outstanding satirist. Still, it is not language for an Ambassador to be using. I am with you on that, Congressman.

I think that 9–11 and the aftermath came as a surprise to the Saudi rulers in one area they had not focused on, which was the malevolence towards them of some members of their own clergy. The clergy are all government employees, they are all salaried. So whether one is prominent or not so prominent, they are all government employees.

There is this 250-year-old pact between the clergy and the ruling religious family and the House of Saud, which constrains both parties and gives legitimacy to both. The malevolence of some of them, which surfaced over the U.S. presence first in 1990–91, led to the arrest of a few—I couldn't give you exact number; perhaps Dr. Gause has that—but I would estimate that a half-dozen clerics were locked up for refusing to stop preaching against the impiety of the leadership for having invited the American forces into the Kingdom.

So the Saudi rulers were surprised by the growth of that malevolence in the 10 years that followed, the same 10 years that saw the growth of support for Osama bin Laden.

Mr. GILMAN. The gentleman's time has expired. Do you want an additional question?

Mr. PITTS. One other witness wanted to say something, Mr. Chairman and—

Mr. GAUSE. Right. Thank you. I think that the quote you cite from Saad Al-Buraik was during that telethon for the Palestinians, obviously at a time when the Israeli-Palestinian issue was at its height in terms of Arab public opinion—not that this is acceptable or anything, but I think that some of the things we are seeing in the translations in MEMRI and things like that are a result, ironically, of a slight opening up of the Saudi press.

Now, this is relative to the Saudi system, but there has been in the last year a bit more freedom for Saudis to express themselves in the press, and unfortunately that means we see more of this stuff because, as Mr. Woolsey pointed out, this is not an unusual strand of opinion in Saudi Arabia. I don't know if I would characterize it as mainstream Wahhabi, but it is not an unusual strand of opinion in Saudi Arabia.

The other irony that one can point out is that twice members have referred to the Saudi Ambassador in London, in that editorial he wrote in *Al-Hayat* before September 11 critical of President Bush; and as the Ambassador said, it is not ambassadorial language, but the irony is, if you are going to have more openness in Saudi Arabia, if you are going to have a society that is more open to debate in which women play a greater role, actually that Ambassador, Ghazi Al-Qusaibi, is going to be one of the people in the forefront of that movement. And there is the irony. I mean, he actually is a Saudi liberal on domestic Saudi issues and it does get you into a very almost contradictory set of opinions that one hears in Saudi Arabia.

Mr. PITTS. And if they want to improve their image, it might be more prudent to spend the \$10 million on improving their human rights record rather than on a PR firm.

Thank you, Mr. Chairman.

Mr. GILMAN. That is a strange form of liberalism.

Mr. Engel.

Mr. ENGEL. Thank you, Mr. Chairman. And before I begin, I want to announce the Chairman had passed me a note and my own staff had passed me a note that CNN is reporting that there was another suicide bombing in Israel just now, and at least 20 people were wounded and two killed in Rishon Letzion, south of Tel Aviv. So the killing of innocent civilians continues, and it continues with

Saudi money and Saudi propaganda.

Earlier this year the Saudis, the leader of Saudi Arabia, came out with the so-called "Saudi peace plan." I say so-called because I frankly am very skeptical. Twenty months ago when Mr. Arafat was deciding whether or not he would choose the path of peace or the path of war, there was a proposal, as we all know, offered to him, which would have given his people a state of their own, billions of dollars of foreign aid, 100 percent of Gaza, 97 percent of the West Bank. And Mr. Arafat walked away and said no, and the intifada was unleashed.

He didn't offer a counterproposal. He didn't offer any kind of alternative. He just said no. I would like to ask, where were the Saudis 20 months ago when perhaps, if they had embraced such a peace plan, they could have convinced Mr. Arafat to accept peace

rather than war?

So you will excuse me if I am skeptical of the Saudi peace plan which, first of all, I think is unrealistic because Israel cannot return to the pre-1967 boundaries which are indefensible and were simply armistice lines. There was not any significance to them at all.

And when the Saudis mentioned that they had this so-called peace plan, Israel welcomed the proposal and suggested that Israeli and Saudi officials meet directly to discuss it. The Saudi response was essentially that the plan had to be implemented unilaterally by Israel, and then the Saudis would reciprocate by providing an unidentified type of relations which keeps getting vaguer and vaguer on behalf of the entire Arab world.

So I would like to ask any of the panelists if they care to comment on how seriously we can take the Saudis so-called peace plan when they were nowhere to be found 20 months ago, when it would have mattered. And the fact of the matter is that the peace plan is essentially the demands of the Palestinians and none of Israel's

legitimate concerns are taken into account.

Mr. Kristol. I agree with your scepticism about the Saudi peace plan. I think it was mostly a PR effort to repair their justifiably damaged image in the United States. One point that hasn't been made is, as far as I know, every Saudi Government official, in explaining the so-called peace plan—which isn't really a plan, but let us say the outline—when pressed, has insisted that it has to include the full right of return for Palestinians, which, in addition to the insistence that the 1967 borders be reestablished is a total non-starter and really a code word for the destruction of Israel as a Jewish state.

So I don't put quite as much credence as some do in how helpful the Saudis have been to the Israeli-Palestinian effort.

I would also emphasize that we are engaged in a war on terror. The Arab-Israeli problem, the Palestinian-Israeli problem is long-standing, and it isn't going to be solved in the next few months. And, the truth is, it's not going to be solved if the Saudis become wildly helpful. And it's not going to get much worse, I suppose, if

the Saudis are unhelpful.

What is true is that the Saudis are funding terrorists who attack Israeli civilians; and I would come back to the fact that those documents recently released by Israel suggest a particularly close link between the Saudis and Hamas. So, even if you want to believe, which I don't particularly, but even if one wanted to believe that the Palestinian Authority itself was interested in peace or that Arafat was trying to control terror, what everyone agrees on is that Hamas has no interest in peace, the recognition of Israel, or controlling terror against Israeli civilians. Hamas is the one organization which has the closest links and the most direct funding from the Saudis. So, if they really want to be helpful with regard to the Israeli-Palestinian problem, they could stop this support.

But I would also say, from the U.S. point of view, it is their complicity in the broader problem of terror against Americans, as well as Israelis, that seems to me really worthy of investigation; that is the new fact, so to speak, since September 11 that people have not wanted to focus on, but I think we now need to really be serious

about.

To what extent is Saudi Arabia part of the solution to the war on terror and to what extent are they really part of the problem—and more than part of the problem, to what extent are they really

central to the problem?

Put it this way: If you did not have the Saudi regime you currently have in place—incidentally, it is not that they have been the same for 70 years; they have been exporting Wahhabi Islam for only the last 20 years—would you have the terror network that developed and that produced September 11 and all the related terrorism? I think the answer to that is probably, no, actually.

So the Saudis are central, I think, to the "axis of evil" if the axis of evil is the axis of terror as opposed to the axis of weapons of

mass destruction.

Mr. GILMAN. The gentleman's time has expired.

Mr. ENGEL. Mr. Chairman, if I could have 20 seconds more, I

just want to comment.

I agree with everything you have said, Mr. Kristol, and I think your point about the full right of return is something that should be explored more because that obviously is a deal-breaker. And it is clear to me that Saudi Arabia, as you mentioned, has been throwing money at the terrorists saying essentially, leave us alone and we are going to look the other way. And they have been looking the other way too long, and it includes Saudi-funded schools in the United States, and the Saudi telethon for Palestinian martyrs.

These are the things we need to assess when we look at the U.S.-

Saudi relationship.

Thank you, Mr. Chairman.

Mr. GILMAN. Thank you, Mr. Engel.

Ms. Davis.

Mrs. Davis of Virginia. Thank you, Mr. Chairman.

And thank you, gentlemen, for being here.

I agree with the statement that Saudi Arabia has been there and has been host to our airplanes to take care of the Southern Watch, but I can't help but note that they were not there for us to use their bases to fly missions in Afghanistan, and had we not had our aircraft carriers, we would not have been successful.

I guess my question to you is: What do you think the Saudi response would be if we took them up on their request, or their wish, to pull out and said, we are not coming back?

Is there anybody who wants to answer?

Mr. Murphy. Well, I think, Congresswoman, that you are leaping ahead of where we are. They have not, to my knowledge, asked us to leave; and I see no point in our asking to be asked to leave. I believe that the Pentagon is very sensible in diversifying our presence around the Arabian Peninsula. But I warn against any assumption, if we are ordered to leave that we are going to find hospitality elsewhere in the Arabian Peninsula. We should not coast on that assumption.

Mrs. Davis of Virginia. Had some not made it clear that it

might be their wish that we would leave?

Mr. Murphy. Well, it was certainly the expressed wish of Osama bin Laden and those clerics who were locked up in the 1990s. As far as the Iraq situation goes, which is the reason we stayed there, the Saudis are not convinced that we are that serious. Eleven years later you are telling us you are serious? Well, obviously our dialogue on Iraq needs more attention.

Mr. WOOLSEY. I agree with Ambassador Murphy on this point. I think we should prepare to leave, but only leave in a condition of strength on our part—for example, after having been successful

in Iraq was the example that I used.

I don't think at all we want to be asked to leave, and I think that the Saudis are likely to be helpful, even if only modestly perhaps, in any move that we make against Iraq, really only in two cases.

First of all, if they are absolutely and clearly convinced that we are determined to replace the Baathist regime and that we will commit the resources that will make it successful, reversing the decision we made 11 years ago.

And, secondly, and I think this is also important, they need to be convinced that we do not need them, because I think only if they are convinced that we are absolutely determined to succeed, that we will succeed, and that we don't need them—only in those circumstances will they show up and say, well, maybe we can be of some assistance.

Mrs. DAVIS OF VIRGINIA. Mr. Kristol, I would like to hear from you.

Mr. Kristol. Well, I call attention to the following irony.

Three thousand Americans were killed by hijackers, most of whom were Saudis. In addition, they were part of a terrorist organization which has some links to the Saudi regime, I would argue, including Osama himself, who certainly has had links to part of the

regime.

But then the President decides that he wants to consider removing Saddam Hussein from power in Iraq to prevent a second 9–11, and the one nation in the world where we have prepositioned our critical air power assets in anticipation for this eventuality, a nation whose existence we saved 11 years ago, decides they are not going to cooperate, or cooperate fully, in this endeavor.

And obviously the Defense Department is, it is no secret, making plans to carry out operations against Iraq with little help from Saudi Arabia. That does tell you something about the relationship,

and it does make me wonder.

As a purely analytical matter, I think it is inconceivable that 10 years from now we will have the same relationship with Saudi Arabia. It would be very imprudent, as a matter of defense planning, given this experience, to assume that these bases in Saudi Arabia are useful for very much.

Mr. GILMAN. I thank the gentlelady.

I want to mention to my colleagues, we are on a vote and this room has to be cleared at 4 o'clock, so I am going to ask our colleagues if you will indulge in just one question to the panelists and quickly.

Mr. Berman.

Mr. Berman. That is a very tough request, Mr. Chairman, so I am going to try to make my one compound question, and preface it by saying that, Ambassador Murphy, I remember we dealt extensively in the 1980s and had a lot of contact then dealing with the State Department, who saw Iraq in a certain way—great respect for the expertise there, less respect for the accuracy of the conclusions.

I am curious about both Ambassador Murphy's and Jim Woolsey's thoughts on this: That one of the reasons for the Saudi reluctance to see us invade Iraq, a regime change and depose Saddam, is a fear that in fact what the critics of it talk about as "chaos" in fact could turn out to be a somewhat interesting institutional situation where people of Kurdish and Arab ethnicity and Sunni and Shiite affiliations might be able to put together a regime that starts the development of a democratic process right there in the heart of the Middle East and that nothing scares the Saudi leaders more than that thought of—not the vacuum that is left, not the chaos that arranges, not the civil war that ensues, not the role of Iran, but the realization of one of the underlying values of Amer-

ican foreign policy-it has been for a long time-that actually

starts to take hold of Iraq after a regime change.

And this isn't about insufficient dialogue. This isn't about, we haven't been nice enough to them. This isn't about the suffering of the Palestinian people. By the way, the Saudis were the first ones to cut off the Palestinian people the day that they ended up supporting Saddam in the Gulf War. They weren't worried about the plight of the Palestinian people then and for a time after. But anyway, enough rhetorical asides. That is the basic question.

Mr. Murphy. Well, if the question is, why are they reluctant to

see us overthrow Saddam because of the chaos that—

Mr. Berman. No. It is because of the democracy—
Mr. Murphy [continuing]. Or the emergence, with his overthrow, of democracy. I don't think that is their worry. I look at them looking down from Riyadh at Bahrain. Bahrain, the very small island just off the coast there, has taken some extraordinary steps on the path of democracy these last few months. The Saudis obviously posed no objection. What they are concerned about in Iraq is disintegration. You say it is a question of the different ethnic communities developing in a more democratic way. I think they are concerned that it would be the different ethnic communities pulling apart, and the country falling apart. Artificial as Iraq is historically, they don't want to see, nor does anyone in the area want to see, Kurdistan independent, Baghdad separate and—

Mr. BERMAN. I am told that Kurdish Iraqis have no interest in secession, that the Kurds and the Arabs in Iraq are not fundamen-

tally enemies and that, in fact, it is against—

Mr. GILMAN. May I interrupt the gentleman so that other Members can—

Mr. Berman. Well, can Mr. Woolsey-

Mr. Woolsey. I will say very briefly that I agree with Congressman Berman. I think democracy in Baghdad, a central country of the Mideast, is a very different thing for the Saudis than democracy in Bahrain; and I think Bernard Lewis is right that Iraq is probably reasonably well suited to democracy for an Arab state, and I think it strikes fear into the Saudis' hearts to think that we might shift toward a focus of relying on a democratic Iraq rather than them as a centerpiece of our alliances in the Gulf area.

Mr. GILMAN. Mr. Cooksey.

Mr. COOKSEY. Thank you, Mr. Chairman. I will ask an easy

question that requires only a crystal ball.

Can you foresee any scenario in which there will be an overthrow of the existing monarchs in say four or five countries in a close time frame, and there would be a lot of turmoil in, say, three or four of those countries? They seem to have gone through a phase of monarchs and then they go to nationalism as Egypt and Syria and Libya have; and then they end up with these Islamic governments. And possibly Lebanon—and I was there last November—has got some semblance of a democracy.

But can you see a scenario in which there would be turmoil in all these countries in a close time frame and yet everything could shake up, they could separate church and state and end up with a democracy and have freedom of speech and rule of law, private property rights, human rights, and as the father of three daughters, treat women properly?

Mr. Woolsey.

Mr. Woolsey. Congressman, I will just say that I think progress toward democracy in the Mideast will be halting and slow and it will take a good deal of time. This is the last part of the world which is really largely untouched by democracy.

After all, there are a lot of people who said in 1945 Germany could never be a democracy, nor Japan, and a lot of people said China wouldn't, but Taiwan has made it, and that Russia never would. But Russia is kind of getting there.

I think there are cultural reasons why the Arab Mideast has

been quite resistant to democracy, there are about 45 predominantly Muslim countries; Freedom House says that of the half that are non-Arab, about 23 countries, half of them are democracies, including some of the poorest countries in the world—Mali, Bangladesh. They are not all perfect, but they are democracies.

And I think this shows that the problem is not Islam. There is a certain cultural thing with Wahhabiism. There is the history of the way the British and French treated the Middle East. There are a lot of reasons why I think democracy is difficult in the Arab Mid-

dle East, but I don't think it is impossible.

I frankly think the regime in the Mideast that is in the most prerevolutionary situation, sort of like the Soviet Union in the mid-1980s, is Iran. I think the mullahs are beginning to lose control; 179 out of the 280 or 290 members of the parliament of Iran just in late April signed a petition to the the rulers, attacking them for

having political prisoners and attacking the use of torture.

The Iranian rulers have lost the women, they have lost the young people, they have lost a lot of the reformers, they have even lost a fair number of mullahs in the holy city of Qom. They had huge demonstrations last fall, tens of thousands of young people demonstrating against the mullahs and chanting, among other things, "Death to the Taliban in Kabul and in Tehran." So I think the country in the Mideast, in that part of the world, that is the most likely to tremble and have a change in government is, frankly, Iran, not one of the monarchies of the Gulf.

Mr. COOKSEY. Thank you.

Mr. GILMAN. Mr. Rohrabacher.

Mr. Rohrabacher. I will just be very quick here. First of all, I would like to say, I am sorry, Howard, you took a little too long. But let me just say, I am a little bit shocked at the people trying to minimize the importance of the Saudi peace plan. If Ronald Reagan were President of the United States, he would be trying to see what they could do to make progress based on a statement like this, rather than trying to minimize it. I think it is a horrible, horrible thing it for people to minimize an opening like this.

Number two, there has been a lot said—terrorism, terrorism, terrorism—and certainly I agree that those people who target noncombatants. And as we have just heard, in Israel there has been another attack; it is a horrible crime against humanity that con-

cerns 11s

But let us not forget there are other dead bodies on the ground, of noncombatants, and there are a lot of Arab and Muslim kids and Palestinian bodies on the ground as well; and that affects the psychology of these people, and we need to make sure that we condemn the death of all noncombatants.

I just don't buy that all of the noncombatants that have been killed there that are Palestinians are just—that that was not intentional, every one of these kids who have been killed were nonintentional. So there is a problem there. We need to make sure that we don't have a double standard.

And I agree with you, Mr. Kristol, we need to go-

Mr. Sherman. Will the gentleman yield? Mr. Rohrabacher. No. I have about 1 minute because another

one of our colleagues talked over some important time.

Let me say this, that you are absolutely right, we need to go to the Saudis and say, you are either with us or against us; and Mr. Kristol, you are absolutely right about the negative influence that the Saudis have had in spreading the kind of hatred that exists. We need peacemakers and we need to work with the peacemakers, and the Saudis are either with us or against us. Musharraf in Pakistan has changed, tried to change. We need to put that same challenge to the Saudis, and either they change or they are not going to be our friends.

Mr. GILMAN. The gentleman's time has expired, so that I may

have one question.

Mr. ROHRABACHER. Yes, sir. But let us not have a double standard here and let us try to be peacemakers so people will really listen to us when-

Mr. GILMAN. Thank you, Mr. Rohrabacher.

I want to, first of all, thank our panelists. I am sorry that we are relegated to the time factors here today and to the voting on

I am going to ask our panelists if you would submit to us in writing just one response: What is the best thing that we could do to repair our relationship with Saudi Arabia, prevent the funding and support of terrorism, religious intolerance, human rights violations, anti-Semitism—all the things that we have pointed to today that have made a wider gap between our two nations?

If you could give us a short written statement of how best we

could repair our relationship, we would welcome it.

The meeting stands adjourned. We thank our panelists.

[Whereupon, at 3:59 p.m., the Subcommittee was adjourned.]

APPENDIX

MATERIAL SUBMITTED FOR THE HEARING RECORD

PREPARED STATEMENT OF THE HONORABLE JOSEPH R. PITTS, A REPRESENTATIVE IN Congress from the State of Pennsylvania

Mr. Chairman, the Saudi government currently is spending over \$10 million with

a PR firm to improve their image in the United States.

A primary reason for the negative Saudi image in the U.S. is the myriad human rights abuses in that nation, including the terrible oppression of women, the payment of thousands of dollars to families of suicide bombers; the widespread torture in prisons; the 40,000 plus Muttawah (or religious police) who roam the country; and the trafficking of women and girls for sex.

The list goes on.

It might be more productive for the Saudi government to spend that \$10 million to actually improve the human rights situation and lives of the people of Saudi Ara-

Only by doing this will their image improve.

The State Department Country Reports on Human Rights Practices emphatically state, "Freedom of religion does not exist" in Saudi Arabia.

I receive numerous reports in my office detailing the arrest of individuals from Ethiopia, Eritrea, Nigeria, the Philippines, India, and other nations simply for the peaceful practice of their religious beliefs.

The Saudi government even arrested a pregnant woman, threatened and detained her, and would not allow her to leave the country until her husband came back and submitted to arrest and probable torture for his leading a Bible study in their home.

Mr. Chairman, why is it that the Saudis fund and build numerous mosques in our country, but their government will NOT allow a single church, synagogue or temple to be built in their country?

Further, domestic workers from other nations suffer at the hand of their employ-

s—many young women are forced to serve as sex slaves to the Saudi men. Yet, because of racial discrimination, they are not able to take legal action against

those employers.

The Protection Project, at Johns Hopkins School of Advanced International Studies, in their comprehensive report on Trafficking of Persons, marks Saudi Arabia as a destination country for trafficked individuals.

Young women and girls from Indonesia, Burma, Thailand, Bangladesh, Nepal,

and India are trafficked into Saudi Arabia for use in brothels

Mr. Chairman, the reason the Saudis want to improve their image in the U.S. and the international community is very well detailed in the State Department. Listen to this list of statements:

"There were credible reports that the authorities abused detainees, both citizens and foreigners. Ministry of Interior officials are responsible for most incidents of and toreigners. Ministry of Interior officials are responsible for most including subuse of prisoners, including beatings, whippings, sleep deprivation, and at least three cases of drugging of foreign prisoners. In addition there were allegations of torture, including allegations of beatings with sticks, suspension from bars by handcuffs, and threats against family members. Torture and abuse are used to obtain required confessions from prisoners (see Section 1.e.). There were reports that in derequired comessions from prisoners (see Section 1.e.). There were reports that in detention centers some boys and young men were flogged, forced constantly to lie on hard floors, deprived of sleep, and threatened with whipping and other abuse." Punishments include flogging, amputation, and execution by beheading, stoning, or firing squad. The authorities acknowledged 81 executions during the year."

"The Government strictly limits freedom of assembly in practice."
"The Government severely limits freedom of speech and the press."

"Freedom of religion does not exist."

The Shia community "are the objects of officially sanctioned political, social, and economic discrimination.

"The Government restricts the travel of Saudi women. They are not allowed to drive inside the country and are dependent upon males for any transportation. Likewise, they must obtain written permission from their closest male relative before the authorities allow them to travel inside the country or to travel abroad."

"Citizens do not have the right to change their Government. There are no formal democratic institutions, and only a few members of the ruling family have a voice

in the choice of leaders or in changing the political system."

"Although racial discrimination is illegal, there is substantial societal prejudice based on ethnic or national origin. Foreign workers from Africa and Asia are subject to various forms of formal and informal discrimination and have the most difficulty

or various justice for their grievances."

Mr. Chairman, the Saudi Embassy has funded a massive project to get information about Islam into our nation's schools. I fully support the right to freedom of speech, assembly and worship for all religious, ethnic and political groups in our nation. Yet, it raises grave concerns when other governments exploit these freedoms and do not allow the same freedoms in their own nations. What would happen in Saudi Arabia if Christians, Jews, Hindus, Buddhists, Bahi'as, Shia Muslims, or other religious groups sought to get information into the schools to teach people about their religious beliefs? The Saudi government would never allow it and would severely punish anyone who attempted such a feat.

Mr. Chairman, U.S. relations with Saudi Arabia are important. It is a complex relationship—one that is long-standing with many economic and defense ties. They were an important ally in the Gulf War and their strategic importance continues to this day. However, we cannot turn our backs to Saudi Arabia's atrocious human

rights record.

If Saudi Arabia wants to be a legitimate partner with the United States in bringing peace and stability to the Middle East, the Saudi government must begin to address its image problem from within.

I call on Crown Prince Abdullah to focus on improving the lives of the Saudi peo-

ple. Then, the PR problem will take care of itself.

As we examine the issues facing US-Saudi relations, it is absolutely vital that Congress and the Administration take seriously the human rights abuses in that

I look forward to hearing from our distinguished witnesses.

Thank you.

Tuesday, March 26, 2002

SAUDI POLICE FACE DEATHS CRITICISM

SAUDI GIRLS BURNED ALIVE WHILE RELIGIOUS POLICE PREVENT RESCUE

By Michael Ireland Chief Correspondent, ASSIST News Service Compiled From Wire Service Reports

RIYADH, SAUDI ARABIA (ANS)—In a rare criticism of the kingdom's powerful religious police. Saudi media have accused the force of hampering efforts to rescue 15 girls who died inside a blazing school, Reuters news service reports.

According to a report from Reuters carried on CNN, Saudi media and families of the victims have been incensed over the deaths of the girls in the fire that gutted a school in the Muslim holy city of Mecca. Most of the girls were crushed to death in a stampede as they tried to flee the blaze.

CNN reported that the al-Eqtisadiah daily said firemen scuffled with members of the religious police, also known as "mutaween," after they tried to keep the girls inside the burning building because they did not wear head scarves and abayas (black robes) as required by the kingdom's strict interpretation of Islam.

CNN said the English-language Saudi Gazette, in a front-page report, quoted witnesses as saying that members of the police, known as the Commission for the Promotion of Virtue and Prevention of Vice, had stopped men who tried to help the girls warning "it is a sinful to approach them.

One civil defense officer told al-Eqtisadiah he saw three members of the religious police "beating young girls to prevent them from leaving the school because they were not wearing the abaya," CNN reported. "We told them that the situation was very critical and did not allow for such behaviour. But they shouted at us and refused to move away from the gates," the newspaper quoted the officer as saying in a report posted to CNN's website.

The father of one of the dead girls charged that the school watchman even refused to open the gate to let the girls out, the Saudi Gazette reported on CNN.

CNN reports the newspaper said: "Lives could have been saved had they not been stopped by members of the Commission for Promotion of Virtue and Prevention of Vice"

Vice."

The feared mutaween roam the streets of the conservative kingdom wielding the feared mutaween roam the streets of the conservative kingdom wielding the feared mutaween roam the streets of the conservative kingdom wielding the feared mutaween roam the streets of the conservative kingdom wielding the feared mutaween roam the streets of the conservative kingdom wielding the feared mutaween roam the streets of the conservative kingdom wielding the feared mutaween roam the streets of the conservative kingdom wielding the feared mutaween roam the streets of the conservative kingdom wielding the feared mutaween roam the streets of the conservative kingdom wielding the feared mutaween roam the streets of the conservative kingdom wielding the feared mutaween roam the streets of the conservative kingdom wielding the feared mutaween roam the streets of the conservative kingdom wielding the feared mutaween roam the streets of the conservative kingdom wielding the feared mutaween roam the streets of the conservative kingdom wielding the feared mutaween roam the street with the streets of the conservative kingdom wielding the street with sticks to enforce dress codes and sex segregation and to ensure prayers are performed on time, said CNN.