STATEMENT OF DAVID D. PEARCE AMBASSADOR-DESIGNATE TO THE PEOPLE'S DEMOCRATIC REPUBLIC OF ALGERIA SENATE COMMITTEE ON FOREIGN RELATIONS JULY 23, 2008

Mr. Chairman and members of the Committee,

I am deeply honored to appear before you today as President Bush's nominee to be Ambassador to the People's Democratic Republic of Algeria. I appreciate the trust and confidence the President and Secretary Rice have shown in nominating me.

With your permission, Mr. Chairman, I would like to introduce my wife Leyla, my daughter Jennifer, and my son Joey. For over 30 years now, Leyla, who was born and raised in Lebanon and speaks fluent Arabic and French, has been my first and best teacher on the Middle East. Jenny recently received her Master's degree in community and regional planning at the University of Oregon. And Joey is working on his Master's in Arabic studies at Georgetown. I am immensely proud of them all, and grateful for their constant support and sacrifice through many moves and separations during our 26 years in the Foreign Service.

Mr. Chairman, Algeria is the keystone of North Africa and the third-most populous country in the Arab world. It is the largest producer of oil and gas on the African continent, and an important supplier of energy to both Europe and the United States. Our own two-way trade with Algeria is worth about \$20 billion. But even if Algeria were not our second-largest trading partner in the Arab world, we would have a great stake in this relationship. It is a country of real promise, where hundreds of thousands of educated youth could drive a knowledge-based economy that would bring growth to the entire region. Its stability and prosperity are important for the stability of both Africa and the Middle East.

As you know, Mr. Chairman, tens of thousands of Algerians died in the indiscriminate violence of the 1990s. While that internal violence has declined substantially from previous levels, the threat of extremism nevertheless remains. And Algeria has been an essential partner in fighting the instability created by the increasingly regional terrorist threat. Nearly two years ago, a local Algerian extremist group sought a new lease on life by declaring a link to Al-Qa'ida. Since then, that group has carried out a number of atrocities against innocent men, women and children in Algeria and elsewhere. It has attacked UN offices, engaged

in kidnappings and bombings, and has extended its reach into surrounding countries.

Mr. Chairman, the Algerian government has confronted the challenge of extremism squarely and courageously. It has taken a leading role in international cooperation on counter-terrorism, especially in pursuing and breaking up Al-Qa'ida-linked terrorist networks. And our bilateral cooperation in this area is strong. We recognize that a comprehensive effort against terrorism must go beyond direct security assistance to incorporate cooperation in fields such as forensics, English-language instruction, and university training. So we are working to build our relationship in those areas.

Mr. Chairman, through the Middle East Partnership Initiative and other programs we are also supporting Algeria's reform agenda. Our programs promote the professional development of lawyers and judges. They assist Algeria's press in building journalistic expertise and business acumen. They help the Ministry of Finance to improve tax administration and reduce corruption. They aim to assist the Bank of Algeria in updating its system of bank supervision – just to name a few areas. If confirmed, Mr. Chairman, I will look forward to joining this important work with the Algerian government and people. I will do my best to encourage continued reform and development, and further Algeria's efforts to stabilize and modernize, consistent with the rule of law, transparency, and the importance we attach to human rights and other basic freedoms.

Mr. Chairman, Algeria has long had a significant role in Middle Eastern and African affairs. It is a key player in conflict resolution throughout the wider region. It is a leading member state of the Arab League, the African Union, and the Organization of the Islamic Conference. It is a longstanding member of the Organization of Petroleum Exporting Countries and a founding member of the New Economic Partnership for African Development. It facilitated an end to the Ethiopian-Eritrean border war in the late 1990s and, more recently, provided airlift support to peacekeepers going to Somalia and Darfur. Its mediating role in conflicts in the Sahel has been and will remain vital to finding peaceful solutions there. The "frozen conflict" over Western Sahara cannot be resolved without Algerian participation. Not least, Algeria is literally at the center of the Arab Maghreb Union. It would gain from increasing trade within that grouping, and its willingness to lead in this area will be critical to realizing long-held dreams of regional integration.

Mr. Chairman, regarding the Embassy itself, we have now moved to a new, more secure facility, which I look forward to seeing. There are still significant security

restrictions, and I assure you that if confirmed, I will have no higher priority than the safety and security of our staff and all Americans in Algeria.

I thank you, Mr. Chairman, for this opportunity to address you. If confirmed, I hope I will have many occasions to host members of this committee in Algiers. For now, I would be pleased to address any questions that you may have.