STATEMENT OF JAMES B. CUNNINGHAM AMBASSADOR-DESIGNATE TO ISRAEL BEFORE THE SENATE FOREIGN RELATIONS COMMITTEE May 1, 2008

Mr. Chairman and distinguished Members of the Committee:

It is an honor to appear before you as President Bush's nominee to become the United States' next Ambassador to Israel. I thank the President and Secretary Rice for the trust they have placed in me. I look forward, if confirmed by the Senate, to working closely with the Congress to advance our interests in the region. I will welcome frequent opportunities to consult with you, and I encourage you to visit often.

I would like to begin by noting that unfortunately my wife Leslie and our two daughters, Emma and Abigail, could not be here today. I want to thank them, and particularly my wife, for their support, and for the important contributions they themselves have made to the pursuit of America's interests over the course of my career.

Mr. Chairman, I am truly honored that I may have the opportunity to serve our nation in Israel at this particular time in history. We have always had a close and special relationship with Israel, stretching back to Israel's founding 60 years ago. Over those six decades, as our friendship with Israel has grown stronger, we have forged a bond based on historic, personal, and cultural ties, on mutual

interests and shared values, and on a record of together confronting difficult issues of consequence to both our nations. Over the course of our relationship, and especially over the last seven years, Israel has been a close partner in combating terrorism. And the United States has always been a stalwart advocate of Israel's security, a result of the exceptional support Israel enjoys in this country – among the American public, from the 11 American administrations that have held office since Israel's founding, and from Congress. That will, I am confident, continue to be the case. Our interests in Israel are strategic, and enduring.

This past August, the United States and Israel signed a memorandum of understanding that will underpin our security relationship through 2018. The arrangement calls for \$30 billion to be provided over ten years, subject to Congressional approval of yearly appropriations. This will allow Israel to maintain its qualitative military edge and to strengthen its ability to defend itself against terrorism. This is essential for Israel to maintain its vibrant, successful, and entrepreneurial society.

A strong partnership with a secure Israel is at the core of our goals in the Middle East. The President has now undertaken a new initiative to promote progress along the Roadmap and the realization of the President's vision of a two-state solution. At Annapolis this past November President Bush brought together Prime Minister Olmert, Palestinian President Abbas, Foreign Minister Livni, Prime

Minister Fayyad, and leaders from nearly 50 other nations. The decision by Prime Minister Olmert and President Abbas to launch negotiations on core, permanent status issues, with the aim of reaching an agreement by the end of this year, is a significant achievement. The parties are meeting regularly and a structured process is now underway. While this process will not be easy, there is now a way ahead to reach an agreement that will break the history of conflict between Israel and the Palestinians and pave the way for two states to live sideby-side in peace and security.

The priority the Administration attaches to this effort is clear. The President traveled to Israel and the Palestinian territories in January and recently announced his intention to return in May. Secretary Rice will be there again this week for the latest in what have become nearly monthly trips to the region. Just last week both King Abdullah and President Abbas were in Washington. We continue our efforts through the Quartet and through the mandates of General Dayton, General Jones and General Fraser to solve problems and monitor the parties' adherence to Roadmap commitments. If I am confirmed, I assure you that my highest priority will be to contribute to the strongest possible relationship with Israel, and to help make the goal of peace and security between the people of Israel and their neighbors a reality.

I would also like to mention our economic relationship with Israel. 2007 was a monumental year for Israel's economy, which maintained its robust expansion of

the past four years in achieving annual growth rates over five percent.

Unemployment was at its lowest level in a decade and the government deficit has not been lower since the mid-1980s. 2007 was also a critical year in U.S. - Israel economic relations. Trade between our countries increased by 12 percent and U.S. tourism in Israel reached the highest level ever. I look forward to building further upon these very positive trends in our economic relationship with Israel.

Mr. Chairman, on a personal basis, for more than 30 years I have tried to advance America's interests, to enhance America's security, and to promote our bilateral and multilateral relationships. I spent significant portions of that time working with regions in conflict, societies in transition, and people trying to go beyond their histories in search of a better future. In five years as Ambassador to the UN in New York, I learned a great deal about the dynamics and pain of this troubled region, so vital to U.S. interests. I do not think anyone underestimates the difficulty of reaching the goals we have set. I am both a realist, and an optimist, thrilled that the President and Secretary Rice have offered me the prospect of being part of this historic endeavor. If confirmed, I will do everything I can to support their efforts.