Testimony for Confirmation Hearing

before the Senate Foreign Relations Committee

by

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Nominee as US Ambassador to the Arab Republic of Egypt

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Mr. Chairman and members of the Committee:

I am deeply honored to appear before the Senate Foreign Relations Committee as President Bush's nominee as United States Ambassador to the Arab Republic of Egypt. I am mindful of the confidence placed in me by the President and Secretary Rice and will do my utmost to fulfill my responsibilities. I have had the privilege of representing the United States in many Middle Eastern capitals and look forward to doing so again in a country where we have built, over the past three decades, a vital strategic partnership based on mutually shared goals of peace, security, and prosperity not only for our own citizens but also for the people of the entire region.

I am also happy to introduce my brother Jim, who came from Winter Springs, Florida to attend the hearing—he and my brother Marty who could not be here, have always provided me moral support and a home in between my assignments.

Egypt is the most populous Arab country in the world. Its leaders promote regional peace and stability throughout the Middle East and Africa; its security forces assure free navigation through the Suez Canal and combat terrorism; its press and cultural vitality influence the entire Arab world; and it is the only Arab country with global diplomatic reach. The implications for U.S. policy are clear: continue to strengthen the U.S.-Egyptian partnership in advancing peace, and encourage Egypt to take the lead in economic and political reform in the region.

We recognize that reform must follow an Egyptian vision and proceed in an Egyptian manner. President Bush expressed in Sharm el Sheikh his firm hope that, "Egypt can play a role in the freedom and justice movement..." and that the Egyptian government would build on its economic and democratic reforms to its people to give them "a greater voice in [their] future."

During the President's recent visit to Sharm Al Shaykh where he met with Egyptian President Mubarak, he also recalled the longstanding friendship between the United States and Egypt and the respect we have for the Egyptian people, their culture, history, and traditions. Above all else, this friendship has been strengthened by our shared objective of concluding a comprehensive peace between Israel and all its Arab neighbors in a manner that advances the interests of all and that liberates the human potential of this region by removing the fear of war. No Arab nation has done more to advance this fundamental goal. Egyptian courage opened the door to peace in 1979. Since then President Mubarak has persistently worked with us, the Israelis and other Arab states in search for a just and lasting peace. Most recently Egypt played a central role in the Annapolis conference, and now continues to seek ways to facilitate its aims.

Egyptian-U.S. cooperation on regional security and its contributions to regional stability go beyond the Israeli-Arab conflict. In recognition of this, successive Administrations have made significant investments in security and economic assistance to Egypt, including \$1.3 billion a year in military assistance. The U.S.-Egyptian military partnership is a powerful force for regional stability in the Middle East and Africa. Our current military operations in the Middle East would not be possible without the overflight rights and facilitated Suez Canal passages afforded by the Egyptian Ministry of Defense.

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Egypt is the largest contributor of peacekeeping troops to UNAMID – the UN peacekeeping force in Darfur. Egyptian diplomatic leadership helped persuade the Sudanese government that this force would be in its best interest.

Egypt does face challenges. On January 24, Hamas operatives destroyed the border wall separating Gaza from Egypt and encouraged an influx of tens of thousands of Gazans into Northern Sinai. Egyptian has sought to manage this difficult situation with a minimum of violence. Senior U.S. officials have remained in regular contact with Egyptian, Israeli, and Palestinian leaders who are consulting on ways to find a solution that will restore order at the Rafah border. Egypt is also spending FMF assistance to procure equipment to help combat smuggling via tunnels beneath the Egypt-Gaza border.

The United States benefits from Egypt's regional diplomatic leadership. Egypt hosted the first expanded neighbors' conference with Iraq in Sharm Al Shaykh and supports continued U.S. military engagement in Iraq until the Iraqi military can safely handle its security duties. Egypt is at the very center of seeking to resolve the impasse over Lebanese presidential elections.

Like the United States, Egypt has suffered terrible human and economic losses from terrorism and has long been a stalwart ally in the war against terror. U.S.-Egyptian security cooperation has saved lives throughout the region and will continue to do so. The President and the Administration will continue to seek Egypt's advice and support; if confirmed, I will do everything possible to facilitate communication and collaboration.

Much has changed in the decades since Camp David. The United States can be very proud of its contribution to economic and social development in Egypt at all levels, thanks to efforts and investment of USAID and its Egyptian partners. As a result of U.S.

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assistance programs, 99 percent of all Egyptians now have access to reliable electricity; 22 million Egyptians in 11 governorates have access to clean water and sanitary sewage collection, greatly reducing infant and child diseases. Since 1975, infant mortality has decreased from 132 per thousand to just 33; child mortality has decreased 80 percent. Polio has been eradicated, and life expectancy has been extended from 55 to 70 years old. Similarly, adult literacy has grown from 39 percent in 1975 to 60 percent now. Girls attending school has risen from 56 percent to 95 percent.

Egyptian economic reform is another success story. Prime Minister Nazif's economic team, has reformed and streamlined Egypt's economy – retiring many vestiges of the old statist economy -- to achieve record levels of growth—reaching nearly 7 percent in 2007. Egypt is attracting increased levels of foreign direct investment -- \$ 11.1 billion in 2007, up from just \$5.3 billion in 2005. The World Bank in 2007 declared Egypt the "top reformer" in the world. Now the government is eyeing strategies for redistributing the benefits of nearly \$8 billion in annual subsidies on food and fuel to the poorest poor.

Again, the U.S. is playing a central role in Egypt's economic expansion. The U.S. is Egypt's number one trading partner: U.S. foreign direct investment in Egypt exceeds \$5 billion and trade is sharply up – nearly fifty percent in three years. U.S. exports to Egypt increased 33 percent in 2007; U.S. agricultural exports to Egypt doubled.

The Qualified Industrial Zone program, which allows certain exports to enter the United States tariff and duty free, provided they contain 11.7 percent Israeli content, has produced more than \$700 million in exports in 2007 and sustains more than 100,000 jobs. Exports from these zones grew 141 percent from \$266 million in 2005 to \$643 million in

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2006 and the impact of this unilateral trade benefit now exceeds the economic impact of our economic assistance.

But much work remains to be done. Forty percent of Egypt's population lives on less than \$2.00 per day. The government has identified major challenges in education and health reform. The United States intends to support these efforts in order to ensure a prosperous and stable future for this crucial Middle Eastern state.

As Egypt's economy has grown and matured, U.S. economic assistance has gradually declined, from \$815 million a year in the 1980s to just over \$400 million in FY 2008. And in the current budget situation we can anticipate further adjustment. I look forward to working with you, other interested agencies of the USG, and our Egyptian counterparts to continue to develop the most productive and constructive use of U.S. assistance.

The transformation of Egypt's economy required patience and political courage. The gains we see today reflect the Egyptian leaderships' willingness to look beyond the needs of today to position Egypt to meet the needs of its people in the 21st century.

Mr. Chairman, I know that Members of Congress share the Administration's serious concerns about the condition of human rights in Egypt and the limitations placed on political activity.

Egypt has taken important steps over many years in opening its society. Egypt's press, including new independent newspapers and television stations, engage in serious political debate, and Egyptian civil society, with countless NGOs, provide Egyptian citizens the opportunity to address many of the problems facing Egypt. In 2007, for the first time in Egyptian history, 30 female judges took their place on the bench. The

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Egyptian government has acted to eliminate female genital mutilation – outlawing it in state hospitals and working at the grass roots to discourage this dangerous and debilitating practice. First Lady, Suzanne Mubarak has personally undertaken this campaign as a priority for the protection of young girls. In the second half of 2007, the state prosecuted three police officers for physical abuse of detainees.

However, as documented in our annual report, the government's respect for human rights remains poor and serious abuses continue. Progress on political reform has slowed, with limitations on political pluralism and major obstacles to opposition parties taking their rightful place in the political life of Egypt and to debate freely government policy and actions. The recent indictment against seven newspaper editors, the continued incarceration of Ayman Nour, the many private lawsuits pending against Saad Eddin Ibrahim, the prosecution in a military tribunal, rather than civilian court, of some forty members of the Muslim Brotherhood, and restrictions on NGO's illustrate the ways in which the government limits political freedom.

Mr. Chairman, I fully understand the importance of Egypt moving forward with meaningful political reform. The Administration is committed to pressing Egypt on reform, and if confirmed, I will take every opportunity to support and advocate the advancement of civil and political liberties in Egypt. I look forward both to working with the government and to meeting and learning from the leaders of Egypt's civil society. I will do all in my power to assure that U.S. support is both coordinated and available to all those who are working for the advancement of democracy and human rights and who would welcome our encouragement.

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Over 200,000 Americans visited Egypt last year for business, education, and tourism. No Embassy has a more important duty than extending protection and service to our citizens overseas, and I promise to make this a high priority. Likewise, over 45,000 Egyptians sought visas last year to visit the United States for similar reasons. While fully implementing necessary screening for all visitors, I want every Egyptian visitor to our Embassy to feel welcomed and to anticipate the hospitality and positive experience he or she would have in the United States. We can also do more to encourage Egyptians students to study in the United States. Nothing can replace the opportunity to live and study in the United States. And we all know that the students who return to their home countries after that experience, come home with an admiration and affection for America that no overseas program can instill. I pledge to make this a personal priority.

If confirmed, I promise that the Mission staff and I will give the great attention to getting our message out to the widest possible Egyptian audiences. Egypt enjoys a vibrant press and its opinionmakers influence thinking far beyond Egypt's borders. Getting out to meet Egyptians throughout the country, promoting people-to-people exchanges, especially for students, academics, and religious leaders, bringing distinguished Americans to talk to Egyptian audiences, and engaging the Egyptian public at every opportunity and by every means possible will contribute to the improved mutual respect and understanding that we seek.

The U.S. Mission in Egypt is one of the largest in the world. If confirmed, I will have the great privilege of leading a team of talented Americans and Egyptians, from many different U.S. agencies but working together to advance our interests. I pledge to

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maintain the highest standards of accountability for the resources given to us and to assure that the U.S. Mission takes care of its people.

Mr. Chairman, members of the Committee, if confirmed, I would hope to welcome you and many of your colleagues from the Senate as well as the House of Representatives to visit. Your sustained interest in and oversight of our mission in Egypt is one of the most critical elements of any success we may have and helps assure that we are truly representing the American people in a country not only of strategic importance to us but also one where we have enjoyed and benefited from great friendship.