## NATIONAL PRESS CLUB NEWSMAKER LUNCHEON WITH ZALMAY KHALILZAD, U.S. AMBASSADOR TO THE UNITED NATIONS

SUBJECT: THE U.S. AND THE U.N.

MODERATOR: JERRY ZREMSKI, NATIONAL PRESS CLUB PRESIDENT

LOCATION: THE NATIONAL PRESS CLUB, WASHINGTON, D.C.

TIME: 1:13 P.M. EDT

DATE: FRIDAY, OCTOBER 19, 2007

(C) COPYRIGHT 2005, FEDERAL NEWS SERVICE, INC., 1000 VERMONT AVE. NW; 5TH FLOOR; WASHINGTON, DC - 20005, USA. ALL RIGHTS RESERVED. ANY REPRODUCTION, REDISTRIBUTION OR RETRANSMISSION IS EXPRESSLY PROHIBITED.

UNAUTHORIZED REPRODUCTION, REDISTRIBUTION OR RETRANSMISSION CONSTITUTES A MISAPPROPRIATION UNDER APPLICABLE UNFAIR COMPETITION LAW, AND FEDERAL NEWS SERVICE, INC. RESERVES THE RIGHT TO PURSUE ALL REMEDIES AVAILABLE TO IT IN RESPECT TO SUCH MISAPPROPRIATION.

FEDERAL NEWS SERVICE, INC. IS A PRIVATE FIRM AND IS NOT AFFILIATED WITH THE FEDERAL GOVERNMENT. NO COPYRIGHT IS CLAIMED AS TO ANY PART OF THE ORIGINAL WORK PREPARED BY A UNITED STATES GOVERNMENT OFFICER OR EMPLOYEE AS PART OF THAT PERSON'S OFFICIAL DUTIES.

FOR INFORMATION ON SUBSCRIBING TO FNS, PLEASE CALL JACK GRAEME AT 202-347-1400.

-----

MR. ZREMSKI: Good afternoon, and welcome to the National Press Club. My name is Jerry Zremski, and I'm the Washington bureau chief for The Buffalo News and president of the Press Club. I'd like to welcome the club members and their guests who are here today, along with those of you who are watching on C-SPAN.

We're looking forward to today's speech, and afterwards I'll ask as many questions as time permits. Please hold your applause during the speech so that we have as much time for questions as possible. For our broadcast audience, I'd like to explain that if you hear applause during the speech, it may be from the guests and members of the general public who attend our luncheons and not necessarily from the working press. (Laughter.)

I'd like now to introduce our head table guests and ask them to stand briefly when their names are called. From your right, Barbara Slavin, diplomatic correspondent for USA Today, currently a fellow at the U.S. Institute of Peace; Mark Seibel, managing editor international for McClatchy Newspapers; Camille El Hassani, deputy program editor at Al-Jazeera English; Myron Belkind, journalism lecturer at George Washington University and National Press Club International Correspondents Committee chair; Sam Worthington,

president and CEO of InterAction and a guest of the speaker. Skipping over the podium, Angela Greiling Keane of Bloomberg and the chair of the Speakers Committee here at the Press Club. Skipping over our speaker for just one second, Andrew Schneider, associate editor at Kiplinger Washington Editors and the organizer of today's luncheon; Ronald Baygents of Kuwait News Agency; Kenneth Zilecky (sp), freelance writer; Jeanne Theismann of the Alexandria Times; and Arshad Mahmoud (sp), Washington correspondent for Daily Prothom Aila (ph). (Applause.)

Our speaker today, Dr. Zalmay Khalilzad, has spent nearly three decades contributing to the American relationship with the Muslim world as a scholar, a policy-maker and a diplomat. And now he has one of the toughest jobs in U.S. diplomacy: American ambassador to the United Nations. Born in Mazari Sharif, Afghanistan, Zalmay Khalilzad first came to the United States while in high school, spending a year in California as an exchange student. He earned his bachelors and master's degrees at the American University of Beirut, and he then returned to the U.S., earning a Ph.D. from the University of Chicago in 1979 and joining the political science faculty at Columbia University.

He made his first mark in public service during the Reagan administration, joining the State Department in 1985 as an adviser on the Iran-Iraq war and on the Soviet war in Afghanistan. He later joined the administration of the first President Bush, serving as assistant deputy undersecretary of defense for policy planning during the first Persian Gulf War. During this period, he also produced the defense planning guidance draft, setting out a strategic vision for the post-Cold War era that emphasized the importance of the Middle East, North Africa and South Asia. With great foresight he stressed the threat that extremism played in the region.

After a stint at the RAND Corporation, Khalilzad returned to the public sector with the election of President George W. Bush. Beginning as the head of the Bush-Cheney transition team for the Defense Department, he went on to serve as senior director for Southwest Asia, Near East and North African Affairs at the National Security Council.

Since the terrorist attacks of 9/11, his expertise in the region has propelled him into some of the highest profile and most important posts in the U.S. diplomatic service: to his native Afghanistan first as special presidential envoy, then as the first U.S. ambassador since 1979. He then served as the second U.S. ambassador to Iraq since the

fall of Saddam Hussein. And now he is the U.S. ambassador to the institution that so many American conservatives love to hate, the United Nations.

Ambassador Khalilzad is here today to discuss the U.S. and the U.N. and the relationship between the two. Ladies and gentlemen, please join me in welcoming Zalmay Khalilzad to the National Press Club. (Applause.)

AMB. KHALILZAD: Thank you so much.

MR. ZREMSKI: Welcome.

AMB. KHALILZAD: Good afternoon. Thank you very much for that kind introduction. I want to thank my friends that I see in the audience as well as the working press. It's very kind of you to be here today.

I'm sorry to be late. I had to make a presentation at the Security Council on behalf of the Multi-National Forces in Iraq and then rush to get on a shuttle flight to Washington. I appreciate your patience.

What I'd like to do today is to share with you what's going on up at the United Nations in New York and then to look forward to your questions.

As you all know, the United States was an architect of the United Nations. And we helped design it to advance values that we hold dear: preserving peace, promoting progress and strengthening respect for human rights. While we all know that the U.N. has limitations, my role is to work with others to enable the U.N. and the secretary-general, Ban Ki-moon, to make the greatest possible contribution to advancing those founding objectives.

A lot has changed since the founding of the United Nations some 62 years ago, but some things have not. Back in 1945, President Truman nominated Eleanor Roosevelt to be a member of the U.N. delegation -- U.S. delegation to the general assembly. She served seven years at the United Nations and played a critical role in the drafting of the Universal Declaration of Human Rights. In her memoirs she wrote, "I know that as the only woman on the delegation, I was not very welcome, so I read every paper -- and they were very dull sometimes, because the State Department papers can be very dull." (Laughter.) "And I used to almost go to sleep over them. But I did read them all. I knew that if in any way I failed, it would not just be my failure; it would be the failure of all women, and there would never be another woman on the delegation."

America and the world have changed tremendously since then. I've had several very distinguished female predecessors. But some things have not changed. U.N.-related briefing papers can still put people to sleep. (Laughter.) I know exactly how she felt.

The challenges we face in the world today -- containing extremism and defeating terror; the proliferation of weapons of mass destruction; and the management of various regional conflicts, failed states and humanitarian crises -- are very complex. These problems are not always amenable to solely American solutions, and in my view, often can best be dealt with by effective collective responses. Even if we could deal with them alone, it's cheaper for us if they are dealt with through the United Nations, as we pay around 22 cents on each dollar of the cost.

This approach does not require abandoning our right to protect ourselves unilaterally if necessary. The U.N. is the best available instrument for facilitating collective responses. However, I have been struck at times when commentators speak of the United Nations as

if it were an independent sovereignty. The U.N. is not some sort of sovereign entity. The U.N. can take actions on key issues when a country or group of countries can get the necessary support to take a positive decision and work together to help with implementation.

To gain the support we need depends not only on the work we do in capitols, but also having good relations -- working relationships with colleagues helps when it comes time to negotiate resolutions. This means engaging with others, finding common ground to advance our objectives -- and yes, listening. Naturally, we focus sharply on the interests and values of the United States, but at the same time work with others in a cooperative spirit patiently and persistently.

We're working to achieve goals and I believe we are making progress. Today I would like to discuss our efforts in several priority areas. First, on Iraq, we're making progress on internationalizing the effort. In Iraq, we face a conflict where both Sunni and Shi'a extremists use sectarian violence as a tactic to achieve their own dominance. Al Qaeda in Iraq has fought to foster sectarian war in order to offer itself as a protector of Sunni Arabs in the hope of not only pushing the United States and the coalition out, but also in the hope of taking over part or all of Iraq. Shi'a extremists in turn seek to present themselves as protectors of their communities and impose a Shi'a-dominated order on the country, perhaps in alliance with Iran.

To address this challenge, we are working with moderate elements in both communities to bring about reconciliation, to agreements on key issues such as how to share resources such as oil, organize the country to amending the constitution and deal with members of the former regime. Progress on these issues will build up moderates and marginalize extremists. Recently in response to our initiative, the Security Council voted unanimously to expand the United Nations' involvement in Iraq. Secretary-General Ban Ki-moon has said there is, and I quote, "clear agreement that the international community cannot turn away or ignore Iraq," end of quote and that, quote again, "Its stability is our common concern," end of quote.

Last month, the secretary general appointed a new envoy, Mr. Staffan de Mistura, to lead the U.N. mission in Iraq. It is our expectation that he will invigorate U.N. support for Iraqis in tackling such tasks as national reconciliation, regional engagement and humanitarian issues. The U.N. has a lot of experience with such situations in other countries and so therefore they can bring that expertise to the table. Also, because they operate under a neutral banner, they can play a third party role and talk to key players outside the reach of the United States. By bringing the U.N. in and encouraging others to support Iraq, we are adding to what we are able to do on our own and further internationalize the effort.

Second, the U.N. continues to play an indispensable role in Afghanistan. The U.N.'s signal achievement was a stewardship of the Bonn process which enabled diverse Afghan groups to agree on the formation of an interim government, to affirm the legitimacy of this government, through true largess, to ratify a democratic and progressive constitution and to hold national elections for a president and Parliament. The creativity and dedication of the U.N.

special representatives was essential to this process. When I served as ambassador, they were indispensable partners in such crucial and delicate actions as the disarmament and demobilization of militias. Also, the United Nations enabled one of the broadest coalitions ever assembled to support the process of stabilizing Afghanistan with some countries participating under Enduring Freedom and others under the International Security Assistance Force.

The U.N. mandate for military action to assist Afghanistan is an essential precondition for the participation of most of these countries. Last month, the U.N. Security Council extended its mandate for ISAF with -- which NATO now leads. The resolution of -- only reaffirmed the mission, but also it stressed the importance of NATO members providing adequate number of troops and capabilities. It also highlights the fact that the international community should redouble its efforts to stabilize Afghanistan. In essence, we are working in close partnership with the United Nations and Afghanistan, and all of its actions have dovetailed with our efforts to help the Afghan people. Third, regarding Iran, we're working to address Tehran's dangerous and destabilizing policies and programs. The Iranian regime has opted to stand against the community of nations by pursuing nuclear weapons capability, supporting militants opposed to the peace process, rearming Hezbollah and engaging in Holocaust denials.

On the nuclear issue, the international community, through the Security Council and the International Atomic Energy Agency, has given the Iranian regime a choice. On the one hand, the Iranian leaders can work toward diplomatic resolution of this issue, comply with international obligations and benefit from widened engagement and cooperation. On the other hand, if Iran continues to reject this offer, it will pay a steadily increasing price in terms of financial hardship, diplomatic isolation and further erosion of its standing in the world. It's up to the Iranian regime whether it cooperates with the diplomatic effort, but it's also up to other members of the international community, particularly the permanent members of the Security Council to do what is needed to incentivize Iran to comply with its obligations.

The Security Council has been engaged in this issue since February of 2006 and has adopted three resolutions under Chapter VII, two of which unanimously impose sanctions on Iran's nuclear and ballistic missile programs. Nevertheless, Iran refuses to comply with the council's demands. When the foreign ministers representing the P5 plus Germany met last month in New York at the opening of the General Assembly, they agreed to reaffirm their dual-track strategy on Iran --

support negotiations, but pursue a third U.N. Security Council sanctions resolution unless Iran abides by its Security Council obligations. In addition, the IAEA is engaged in discussions with Iran aimed at resolving outstanding questions and concerns. The P5+1 foreign ministers agreed that unless Dr. Zalonah (sp) and Dr. al-Baradei report a positive outcome of their effort in November, they will bring a third sanctions resolution to vote in the Security Council.

It's up to the reigning regime whether it cooperates with the diplomatic effort. But it's also up to other members of international

community, particularly the permanent members of the Security Council whether they do what's appropriate on the diplomatic front so that diplomacy can succeed because those who do not cooperate with diplomacy, with additional sanctions bear some responsibility should Iran not cooperate and should other measures be applied. Fourth, on Darfur, we're seeking to deliver on the commitment of the international community to prevent or stop genocide or massive human rights violations by governments. The human toll in Darfur has been staggering, and the brutal treatment of innocent civilians in Darfur is unacceptable.

We have been pursuing a comprehensive approach, providing more than 4 billion (dollars) in humanitarian relief and development since 2005; encouraging political agreement between the rebels and the government of Sudan; and getting the U.N.-African Union force into Darfur to provide security.

The approach that we have endorsed with regard to Darfur has three elements. One is to deploy peacekeeping forces as mandated by Security Council Resolution 1769, which has been unanimously adopted. The deployment of the hybrid force is urgent. The planned force of nearly 26,000 military personnel and police will play a critical role in helping to end the suffering of the people of Darfur. It was agreed that the force should be predominately African in character, but must also have the right capabilities. The proposed force will be 75 percent African; 95 percent of the infantry will be African. We have called on the Sudanese government to cooperate with the effort to deploy the force that has the capabilities needed to stop the violence.

The second element is to secure a lasting negotiated peace agreement between the government and the rebels. The U.N. and the EU are convening a meeting in Tripoli to advance these talks at the end of this month. We've called on all rebels, as well as the Sudanese government, to participate and believe that a ceasefire must go into effect as soon as the talks have started. The eyes of the world are focused on the situation. And those who do not attend the meeting or do not observe a ceasefire will have to answer to the world and to the people of Darfur.

The third element is to get humanitarian assistance to the people of Darfur. More than 2 million have become refugees, 200,000 have died and the families of these victims need to be looked after. We are seeing progress. We have achieved a strong resolution that everybody has agreed to. Now, implementation is the key. The Sudanese government has been dragging its feet. It must cooperate with the deployment of the hybrid force or it will face increased pressure.

Fifth, another important issue is climate change. In the hopes of lending political momentum to addressing this vital issue, the United Nations General Assembly and the secretary-general have held two important events in the past three months. We have been supportive of this process and the president is convening a series of meetings on energy security and climate change, the first of which was hosted by Secretary Rice in late September.

The world's understanding of climate science and what constitutes effective tools to address climate change have advanced a great deal in recent years and the United States has been a leading contributor to that process through our government investment of \$2 billion annually on climate-related science. This research and analysis has contributed to an emerging consensus that the climate is changing, that human activity is a contributing factor and that options exist to mitigate climate change in ways consistent with continued economic growth and alleviating poverty. This developing consensus is a great achievement.

The U.N. brought still wider international attention to the issue with a special high-level event on climate change hosted on September 24th by the U.N. Secretary-General Ban Ki-moon. Taking place the day before the start of the General Assembly's general debate, this event featured heads of state and government and foreign and other ministers from over 150 countries. Secretary of State Rice delivered a strong statement on U.S. efforts to address climate change both domestically and internationally. And that evening, Secretary-General Ban hosted a dinner on climate change for heads of state in which President Bush took part.

The secretary-general's high-level event fit directly into September 27-28 meeting of the world's major economies convened by President Bush in Washington. This groundbreaking meeting furthered the shared objective of reducing greenhouse gas emissions, increasing energy security and efficiency and promoting strong economic growth. These events all provided momentum for the climate change conference taking place this December in Bali, under the U.N. framework convention on climate change, where work will begin on a roadmap for achieving a new international agreement.

Sixth, we're also working to reform the United Nations as an institution to make it as effective as possible in advancing the core objective for which it was created. U.N. reform means different things to different people: Security Council reform; how you manage and decide on budgets; transparency and accountability initiatives; balance in role and efforts by different institutions of the United Nations. To us, reform is all of these, but the bottom line is that the United Nations as an institution needs to be made ready for the next 60 years and serve the purpose of its charter.

Back in the summer of 1945 when President Harry Truman went to Capitol Hill to urge ratification of the U.N. charter, he told the U.S. Senate, quote, "The notice is not between the charter" -- "The choice" -- sorry -- "is not between this charter and something else. It is between this charter and no charter at all. Improvements will come in the future as the United Nations gains experience with the machinery and methods that they have set out. For this is not a static treaty. It can be improved and as the years go by it will be, just as our own Constitution has been improved." End of quote.

Today the U.S. supports and expansion of the Security Council to reflect changes in the world since 1945. As President Bush said at the U.N. General Assembly a few weeks ago: The United is open to the prospect of Security Council reform, including an expansion of its membership, and believes that, quote, "Japan is well qualified for

permanent membership on the Security Council and that other nations should be considered as well." End of quote.

New permanent members of the Security Council must be in a position to undertake the significant duties and responsibilities they will assume. That means they should be strongly committed to democracy, human rights, nonproliferation, the fight against terrorism and to providing financial or peacekeeping contributions to the United Nations. However, reform of the Council must be designed as part of broader reform of the United Nations to increase its effectiveness in fulfilling its core missions for the coming decade.

In closing, I would stress again that the U.N. is only as effective as the member states choose to make it. And the key to effective action in the United Nations is coalition building. In any issue, the U.N. is only as strong as the coalition you build among key members. I believe that on the priority issues I've discussed, we've made progress in those terms, but we have a long way to go.

In my previous assignments, I have found that while cultures differ, people around the world yearn for certain universal values. They wish for a good life where they can live under the rule of law. They want their nations to be successful, normal countries in which the people have basic security and the ability to send their children to school, where one generation does better than its predecessor and the following better still. We're seeking to advance an agenda to promote these common interests — a world in which we can take collective action against threats of security, in which freedom and democracy are expanding and where the rule of law becomes more widespread and in which all nations enjoy economic prosperity. And we are seeking to make the United Nations as effective as possible in this mission.

MR. ZREMSKI: Stand right there and we'll bring you back.

We have a lot of questions about the U.N. and various world issues.

First of all, you talked about U.N. reform. How long is it going to take to come to some sort of resolution on reforming the Security Council?

AMB. KHALILZAD: Well, we are talking about the United Nations. (Laughter.) And things do take time.

There is a lot of disagreement among the members, including among those who would like to join the Security Council on various formulas for expansion. And in addition, of course, as I said before, the Security Council needs to be embedded in a broader set of reforms because the issue of Security Council expansion is not the most important agenda item for everybody. So in order to bring everybody on board, the concern that others have needs to be addressed as part of the package.

I have said to my colleagues repeatedly -- those who advocate for Security Council reform -- that for me to be able to sell that politically at home -- because there would have to be Senate ratification of any decision that amends the charter -- it would have to be -- the council expansion has to be embedded in broader reforms.

So I think, bottom line, it will take time, but I think we are well postured to start the discussion of how to revitalize this institution and retool it for the next several decades.

MR. ZREMAKI: Is this the greatest challenge facing the U.N., or is there something else that would really be the greatest challenge?

AMB. KHALILZAD: Well, the challenge that are immediate -- this is a longer-term challenge of adaptability and change to respond to the changes in the environment.

But the most immediate challenge is that it can successfully address with missions that are undertaken -- it is the issue of Darfur, for example. Decisions have been made -- that it can implement those decisions. And to be able to implement it, it will need support from members with influence over the government of Sudan, because the challenge is how to incentivize the government of Sudan to cooperate with it. The challenge is how to get the rebels to cooperate with it. And there are other governments in the region who

have influence with the rebels. And similarly, there are a number of other undertakings that -- or situations emanating from the challenges to peace and stability and to the humanitarian concerns of substantial numbers of people, and I think that would be -- those would be the immediate challenges to the United Nations.

MR. ZREMAKI: Do you have any interaction with the Iranian delegation to the United Nations or do you follow President Bush's admonition that when talking with the Iranians that we, quote, "don't talk to terrorists"?

AMB. KHALILZAD: Well, as some of you may know, I have talked with the Iranians over the years when I was in the National Security Council, discussing the future of Afghanistan. And then I also had some discussions with them before we went into Iraq. And then in Afghanistan I had the authority to talk with them as we were making progress on Afghanistan. And in Iraq, the president did give me the authority to negotiate or talk with them when I was there on issues related to Iraq. I -- we do not have that -- I do not have that authority in relation to talking to my counterpart in the United Nations.

MR. ZREMAKI: Is it now unlikely that a new U.N. sanctions resolution against Iran will pass out of the Security Council? And if so, what is the alternative approach for the U.S. on this issue?

AMB. KHALILZAD: Well, we are on three tracks at the same time with regard to Iran. And track one is to see what Iran will do in relation to its agreement with IAEA with regard to past questions, with regard to safeguards -- additional safeguards. There is a timetable of work, and the key issue there is implementation. And Mr.

ElBaradei will have to report on that.

Track two is to have a Solana-Larijani meeting and see what Iran will do in relation to the Security Council demand of suspending enrichment. So there -- and third track is preparing a resolution for the Security Council with additional sanctions, assuming that Iran does not cooperate.

So it all will depend on what Iran does in relation to the other two -- IAEA and enrichment -- with regard to the resolution. I believe that if Iran does not cooperate on either of those two other tracks, the prospects are good for passing a third resolution.

MR. ZREMAKI: Do you have any signs at all that the Iranians may cooperate?

AMB. KHALILZAD: Well, the signs with regard to suspending enrichment are not good. But we will have to wait and see. there has been an agreement to wait until sometime in November for -- to get reports from the discussions between Mr. Solana and Mr. Larijani. But I can't say that I see anything that points that they will -- at this point -- that they will cooperate with suspension.

You all know that we've asked for a suspension at this point, not an end, in order to the negotiations start. And the secretary of State has said that she will even participate in discussions of all issues with Iran, should a suspension take place. And we understand that Iran has a legitimate concern with regard to fuel for its reactors -- slightly enriched uranium fuel for its reactors. And we understand that, and the international community is ready to discuss with Iran ways to deal with that problem. But having access to enrichment internally, mastering the technology brings Iran very close to a nuclear weapons capability, and given this regimes record and rhetoric and policies, it's of particular concern that the world find it unacceptable for this regime in particular to have access to that technology.

MR. ZREMAKI: Why have Russia and China been so reluctant to support another resolution sanctioning Iran, and what can be done to persuade them to change their minds?

AMB. KHALILZAD: If you have any ideas, on the second part, pass them on. (Laughter.)

But -- well, I think that there are economic interests involved. There are business interests involved. There are arms-sale issues involved. So -- but at the same time, I believe both China and Russia do not want Iran to have nuclear weapons or get close to a nuclear weapons capability and -- while protecting those other interests. So that has been the -- for some time the dilemma of what you put on a sanctions list. And not only them but some others even want to protect their own significant investments or opportunities.

MR. ZREMAKI: Can you comment on Russian President Putin's recent meeting with Iranian President Ahmadinejad and his categorical rejection of any military actions against Iran in the wake of that meeting?

AMB. KHALILZAD: I hope that implies that Mr. Putin will be very cooperative with regard to diplomatic pressures, then -- (laughter) -- because I believe that the more effective -- which means the stronger and the more broadly supported diplomatic pressure is applied on this issue, the more likely it is. That's the only scenario in which there may be some chance of getting an agreement with Iran on suspension and then discussing the issue of fuel supplies and other issues with them. I think those -- as I said in my statement -- that are not in support of a strong, broadly supported sanctions increases the prospect of diplomacy not working, and therefore, will bear some responsibility should the alternative be tried.

And so I hope that that means its willingness to be more helpful on the diplomatic front.

MR. ZREMSKI: Is Putin increasing tension in the Middle East to increase oil prices for oil-rich Russia?

AMB. KHALILZAD: Well, Russians are doing well economically, largely or significantly because of oil prices. But I -- having said that, I'm not here to state that they're behind the difficulties in the Middle East. There is plenty of local factors responsible for that. And I believe myself that the future of the broader Middle East, the issue of the dysfunctionalities of that region is -- and some would say the defining issue that threatens everyone -- terrorism is in no one's interest; extremism is in no one's interest.

And this is one issue on which one could and we are trying to build a broad coalition to work together how to make this region functional by dealing with the various problems. And quite a number of those problems require of course local leadership supporting the moderates, but also international cooperation. And this is something on which we can come together with Russia, with Europeans and with Asians and others.

MR. ZREMSKI: Last month, retired General John Abizaid, the former CENTCOM commander, said in a speech at CSIS that if Iran obtains a nuclear weapon that he could, quote, unquote, "live with that." What's your thought on that comment?

AMB. KHALILZAD: Well, I don't want to interpret what John Abizaid may have had in mind. At this point, as I said before, given the record of this regime, its ties with extremists and terrorist groups; it's rhetoric, its declared goals in terms of what I said about Israel, that the international community — the United States of course, but quite a number of other countries upset — and you've heard from President Sarkozy and from other Europeans that given what I've said about the regime and nuclear weapons is extremely risky and dangerous. And that one has to try one's level best to avoid that combination. And we are right now in the face of diplomacy as you've heard from my colleagues here in Washington — they would hope that if Iranian concerns are security of fuel supplies for their reactors that we can find a solution to that. But that nuclear weapons and this regime, the combination is too risky for the world.

MR. ZREMSKI: How can you stabilize Iraq while the U.S. is

seeking to isolate and sanction Iran over its nuclear program?

AMB. KHALILZAD: Of course, ideally, it would be best if we could in stabilizing Iraq could have cooperation of Iran and cooperation of Syria and cooperation of all the neighbors because the Iraqi instability and problems have two sources -- one, Iraqi internal and one, regional, largely, in my view.

And you in a sense need reconciliation both internally and regionally to stabilize Iraq. But you don't have the, unfortunately, the comfort of at this time of having a region that's willing to help Iraq. And you also -- we are not in a situation that we can ignore other critical issues that challenge our interests, the future of that region and future of the world.

And therefore the nuclear issue of Iran I think rises to that level. It's an itself very critical, very important defining issue and so therefore this is the cards that you have been sort of dealt, you have to deal with many big issues, difficult issues at the same time.

But I do believe in prioritizing and -- but I think on the nuclear issue and Iraq, I think if the implication is that we ought to accept a nuclear Iran in the hope that it will cooperate with us on Iraq, that's I think -- first, the premise is problematic in my view, that Iran would. Second, it's an unacceptable price.

MR. ZREMSKI: As our former ambassador to Iraq, do you see any light at the end of the tunnel regarding the American involvement there? And what is your response to the inspector general's report of the lack of progress in that conflict as well as widespread corruption in the Iraqi government?

AMB. KHALILZAD: Well, Iraq is a challenge of state building; it's a challenge of nation building; it's a challenge of stabilizing a critical region of the world. It's not only a local struggle -- bigger forces beyond Iraq are also at play there as you've seen recently in the Turkish-Iraqi Kurdish northern part of Iraq problems.

And I believe that the key issue politically that remains a challenge in getting an agreement among the main players, internal players in Iraq to come to terms with each other on political and economic sharing of power. And in that context this has not happened. You have to build state institutions. And it becomes particularly hard to build institutions when the nation building issues are still to be worked on.

And as we know from our experiences in other parts of the world, the history of Europe for example, that these processes take a lot of time. And I'm not surprised that there are reports of corruption; I'm not surprised that there are problems in different institutions of the state -- looking at the police thing -- the issue is whether there's progress.

I believe that there is progress on state building. The army is generally agreed by everyone is doing a lot better. It's an institution that is making good progress. There is also progress with

regard to execution of budgets. There is progress on planning and execution. There is progress on some infrastructure projects. Just recently, three telecom contracts were awarded attracting \$3.6 billion of investments in Iraq.

So it's a mixed picture in my view. Some progress -- not in other areas. But ultimately of course of goal is to get an Iraq that can stand on its own feet, reconciliation among its major communities. But in my view that will take time.

For us the challenge is how to make our role sustainable for ourselves. And that requires every now and then adjustments in our approach. But in my judgment the worst thing we could do to abandon Iraq given its importance for the future of that region and the future of the world. Adjustments, yes. Abandonment, I think too costly, no.

MR.  $\mbox{ZREMSKI:}$  How long do you perceive there being U.S. troops in  $\mbox{Iraq?}$ 

AMB. KHALILZAD: Well, it depends. You've heard that the five principle leaders of Iraq have requested to enter into discussions with the United States on a long-term partnership. The question is also, you know, the rate of buildup of Iraqi forces. The better abled they are to deal with the security challenges that they face, the sooner the level of U.S. forces can come down and whatever residual assistance or support or presence is needed would be in support of Iraqis based on mutual agreement on what that would be.

And I don't think they will be able to do away with that residual support for some time to come, and that would be an analytic point. But political decisions have to be made on their part, on our part, as to what it is that they need and what it is that we're willing to provide.

MR. ZREMSKI: Do you think that the U.S. made a blunder by going to Iraq without the endorsement of the United Nations?

AMB. KHALILZAD: Well, I don't want to look back today. I'm looking forward. Of course, as I said before, it's best if you could have the U.N. support in terms of cost-sharing, in terms of legitimacy, in terms of support of all kinds.

But, of course, sometimes, you know, we're a nation-state which has its own laws and constitution and processes, and, of course, by joining the U.N., by saying the U.N. is a desirable way to go forward, doesn't mean that under some circumstances we don't decide for ourselves without having the U.N. support. And I believe that now we've turned a new page in the United Nations on Iraq. There is, as I said, the unanimous Security Council vote for the U.N. to play a leading role.

Everyone agrees now, I think, based on my conversations with all the permanent members. The future of Iraq is important for the world, and an Iraq that is full-fledged civil war, dragging the region in or exporting its problems to the region, terrorists taking a part of Iraq, that is not good for anybody. And this is an important country because of its location, because of its resources, that it can play a

positive role.

And therefore the world needs to come together to help it. And it's a long way to go from passing a resolution to then actually achieving that goal. Things do move slow in that regard. But I think that that recognition itself is very important, and I think the U.N. will become more involved. Already the staffing ceiling has been lifted and more people are being hired; talk of opening an office in Basra, having a presence in each of the provinces, expanding the presence in Baghdad, expanding the presence in the north, establishing possibly a secretariat to help on the regional discussions. It's a different environment than it was a few years ago.

MR. ZREMSKI: Given what happened yesterday in Pakistan, how concerned are you about stability there?

AMB. KHALILZAD: Well, of course we are concerned. I know Pakistan relatively well, having dealt with it for a number of years, dating back to the efforts against the Soviet Union during its occupation of Afghanistan. There you can see a clear struggle that I talked about between extremists and moderates.

And Prime Minister Bhutto represents more moderate elements of Pakistan, along with others, and she's shown enormous courage to go back. And there is an effort to intimidate her, perhaps to get her to leave. And I think we all ought to be concerned about the future of Pakistan, and this has got to be one of our nation's, and it is, top priorities to help Pakistan through this very, very difficult transition that it's going through.

MR. ZREMSKI: We have several questions about Afghanistan, and this one is "Opium production in Afghanistan is now at its highest level ever. The Taliban is continuing its rebound. Why is this happening, and what can be done to reverse course in Afghanistan?"

AMB. KHALILZAD: I am concerned about Afghanistan. It's been a great success, but recently there are some indications, some developments that do worry me. One is the increased security problems, not only in the districts near the Pakistani border, but also closer to the capital and some other parts of Afghanistan even to the west.

There is narcotics, which means resources for the Taliban and the extremists is increasingly available because narcotics is available. And there is also somewhat of a decreased trust among the key forces that work together in Afghanistan. And there is the need to revitalize the state-building effort.

Some institutions are not doing as well as they ought to. The police forces, the Ministry of Interior, these need to be looked at. And at the same time, of course, the issue of corruption needs to be addressed. President Karzai during his visit -- and I met with him several times when he was in New York -- promised to deal with these issues in the coming months.

It wouldn't be surprising to anybody to make some changes in personnel, make some changes in programs, see what has worked, what

hasn't worked, and put more effort into what has worked. He's a great leader, elected leader of Afghanistan, charismatic. And we need to do what we can to help him deal with these issues.

He's got, you know, two more years to be president of Afghanistan, and these two years are very critical for the future of the country. And I think the international community needs to do more to help him, and the Afghans need to make some of the tough decisions that need to be made.

MR. ZREMSKI: What more can the U.N. and other international institutions do for Afghanistan?

AMB. KHALILZAD: Well, one thing that they could do is to do better in coordinating international efforts. The good thing about Afghanistan is that there is much more international presence there. But at the same time, that presence needs to be coordinated both in terms of the security part and in terms of the economic part and to have better coordination between it and the Afghan institutions. And that means that the Afghan institutions have to be willing to coordinate, able to do their part in the coordination. And, of course, for the international community, also it means that we need to be willing to be coordinated by somebody such as a U.N. envoy.

So the level of effort is another thing. I think Afghanistan could use a higher level of effort from a number of countries. We have increased our support, particularly as you've seen in press reports, to assist with the changes and reforms that are needed with the Afghan police.

A successful counternarcotics effort requires law enforcement on the part of the Afghan government, supported by the international community, and also significant alternative livelihood programs so that people can make a living doing other things.

There is a lot that Afghanistan can still absorb from the international community and the U.N. as a body that keeps Afghanistan front and center in terms of attention, sustains the interest of key member states, coordinates the efforts. I think there's a lot of room for enhanced activity there.

MR. ZREMSKI: Did the United States underestimate the task of rebuilding Afghanistan? And as a result, did the U.S. underinvest in the task? And, if so, why?

AMB. KHALILZAD: Well, I think the issue of recognizing what it is that Afghanistan is, and recognizing what it is that Iraq is, I think there's no question that both countries have involved significant state-building activities, and in the case of Iraq, even nation-building activity, although the Afghans came together faster than the Iraqis because they were exhausted from the conflicts of the previous period and they were looking for normalcy.

And I believe that more could have been done earlier in terms of state-building activities, but I think we have increased our efforts. When I went there as ambassador, we doubled our reconstruction effort. I see that again this year there is an effort to increase support for

Afghanistan.

Afghanistan will need support for some time to come. Its resources are not developed. The infrastructure is very rudimentary. It will take a long time and a great deal of investment to get Afghanistan to stand on its own feet economically.

In the case of Iraq, the situation is very different. A lot of resources are there. If they could get the political -- the basic laws and security under control, I think economic issues, investment and trade will take care of a lot of the economic issues in Iraq. They will not need, in my judgment, substantial level of governmental investment; private investment, yes. But Afghanistan is a little different. It will require international support for some time to come.

MR. ZREMSKI: Does Israel's action in striking a facility in Israel (sic/means Syria) without U.N. approval further weaken the U.N.'s standing in the Middle East?

AMB. KHALILZAD: I don't know what you are talking about. I know what you are talking about.

MR. ZREMSKI: Syria.

AMB. KHALILZAD: You know, there is a lot of issues with regard to what happened. The Syrians did not ask for any Security Council action, the body that deals with peace and security. They did send a letter and asked that the letter be distributed, and that letter was distributed.

MR. ZREMSKI: Is the U.S. position on global warming at odds with the U.N. position on global warming? And doesn't this make the U.S.'s world leadership role more difficult?

AMB. KHALILZAD: I don't believe that that is the case at the present time. I think we're working well together. The U.S. position is that we want to work as part of the U.N. framework to deal with this issue. We have said that you need an agreement on goals between key developing countries -- India, China -- and key developed countries, the key -- (inaudible). They need to come together, set some goals.

But there has to be flexibility on how those goals are met once they agree on the goals, that there should be micromanagement of kind of how you meet the targets. There has to be a provision for energy security, alternative technologies. That has to be the way to go. And we are active participants.

Of course there is not a consensus yet on some of these issues within the U.N. system, within the membership. Not everyone agrees on these issues that I've just talked about within the U.N. system, so we still have some work to do among the members. And I know we have some time because an agreement has to be reached, hopefully 2009, something like that. So there will be opportunities for further engagement and dialogue. The next big step is in Bali in December, building up on the discussions that took place in the General Assembly and in the

smaller groups and in Washington.

MR. ZREMSKI: Okay, we're almost out of time. But before I ask the last question, we have a couple other important matters to take care of.

First of all, let me remind our members of our future speakers. On October 29th, Dr. Andrew von Eschenbach, commissioner of the U.S. Food & Drug Administration, will be here. On November 5th, Congressman Dave Obey from Wisconsin will discuss the showdown over federal budget priorities. And on November 20th, Lieutenant General Idriss Deby Itno, president of Chad, will be here.

Secondly, we have a lot of traditions here.

AMB. KHALILZAD: A mug or something? (Laughs.)

MR. ZREMSKI: Oh, wow. A good diplomat knows what's coming. (Laughter.) And there it is.

AMB. KHALILZAD: A very valuable piece. (Applause.) Thank you.

MR. ZREMSKI: And a plaque that all of our guests get as well.

AMB. KHALILZAD: Well, thank you very much.

MR. ZREMSKI: Okay, and the last question is a little bit more personal in nature.

AMB. KHALILZAD: Yes.

MR. ZREMSKI: What would you like to be doing in 2009 if, A, a Republican is in the White House, or B, a Democrat is in the White House? (Laughter.)

AMB. KHALILZAD: (Laughs.) Well, I don't know who is concerned about that.

MR. ZREMSKI: (Off mike.)

AMB. KHALILZAD: (Laughs.) Well, you know, I've been in government for a long time. I usually come in for a couple of years. This is my fourth, I think, time serving in government. It's a great honor to represent the United States. I've had the distinct privilege. I never anticipated that I would do what I'm doing 10, 15, 20 years ago. And I've had great Americans in Afghanistan, Iraq and here to work with and good local partners. Afghanistan was very special, of course, because of the fact that I was born there. To go back was a particularly great honor.

But I'm looking forward to a normal life. You know, it's different now in New York. For four and a half years, when I was in Baghdad and Kabul, I could never go for a walk because I always got the security, or to a restaurant or something. I'm enjoying a bit of normal life now in New York, which is welcome, but still with a lot of

security. So I'm looking forward to a normal life. But, as always,

it's been terrific to have had this opportunity.

Thank you very much.

MR. ZREMSKI: Great. Thank you very much. (Applause.) Thank you, Ambassador Khalilzad.

And I'd like to thank all of you for being here today. I'd also like to thank National Press Club staff members Melinda Cooke, Pat Nelson, Jo Anne Booz and Howard Rothman for organizing today's lunch.

Thank you. We're adjourned.

####

END