

Mr. Gene A. Cretz
Ambassador-Designate to Libya
Senate Committee on Foreign Relations
September 24, 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 Libya, the first in 36 years. I want to express my profound gratitude to the President and Secretary of State Rice for the trust and confidence they have shown in nominating me for this challenging position.

With your permission, Mr. Chairman, I would like to introduce my wife Annette, a Registered Nurse, who has helped manage the health care of several of our embassy communities overseas. My daughter Gabrielle is a graduate of James Madison University and works in the private sector. My son Jeffrey, a captain in the United States Air Force Reserves, has honorably served his country in two combat deployments to Afghanistan. Without my family's love, support, sacrifice, and spirit of adventure shown throughout 27 years in the Foreign Service, I would not be here today.

Secretary Rice's just-concluded historic visit to Libya marks a milestone in our relationship. She is the first sitting Secretary of State to visit Libya since 1953. Most importantly, her visit included the most senior and only cabinet-level meeting with Libyan Leader Colonel Muammar Qadhafi since he took power in 1969.

Mr. Chairman, Libya is in the midst of a historic process of re-engaging with the broader world after nearly 30 years of isolation. It is in our national interest to do all we can to help Libya and its people transition back into the international community.

Over the past five years, our bilateral relationship, as well as Libya's place in the international community, has drastically changed. We started with no relationship, and now we are well on the way to normal diplomatic relations. We had no presence in Libya, and now we have an embassy that is creating new ties with the Libyan government and its people while advancing critical American interests. Libya is now a vital partner in the common effort

against terrorism. It is a leader on the African continent and a non-permanent member of the UN Security Council.

We had an extremely contentious relationship with Libya for several decades owing to its past acts - namely, its involvement in acts of terrorism that took the lives of hundreds of Americans and others - which led to the imposition of U.S. and UN sanctions and its designation as a state sponsor of terrorism. As Libya has turned away from terrorism, and the pursuit of WMD, we have worked hard over the past five years to turn a new page in our bilateral relationship. The comprehensive claims agreement provides a process through which outstanding claims pending against Libya for past acts of terror can be resolved and bring a measure of justice for the many American families who have been waiting for this outcome for over 20 years. It will constitute a milestone event in our relationship and will provide a clear signal of this Administration's commitment to fulfill its pledge to our citizens. Together, the Secretary's visit, the claims settlement and Libya's historic 2003 decisions to voluntarily rid itself of its WMD program and forswear terrorism facilitated the country's re-integration into the international community and have opened the door to broader and deeper engagement with Libya and its people.

All of these efforts were taken to advance U.S. interests, and they have cemented Libya's important and significant cooperation on counterterrorism, further strengthening regional efforts to combat Al Qaida's presence in North Africa. We also anticipate beginning to develop military-military lines of communication and expect to conclude a Defense Contacts and Cooperation Memorandum of Understanding for that purpose soon so that we can discuss how to work toward a more stable and peaceful African continent.

We will continue to work closely with the international community to ensure that Libya complies with its WMD obligations, and are providing technical assistance to help it do so. We are cooperating with Libya to engage its former WMD scientists into peaceful and economically viable pursuits such as water management and desalination, to convert its former chemical weapons factory into a pharmaceutical plant and to transform nuclear reactor facilities previously fueled with weapons-grade uranium into centers for scientific research with no such proliferation risk. Additionally, we are partnering with Libya to establish a regional nuclear medical center. The

center is a tangible example of the type of cooperation that would not have been possible before Libya's historic 2003 decision.

In Libya today, there are calls for political reform. We will closely observe how calls for the opening of further political space and greater respect for human rights will be implemented and how they will affect the Libyan people. We note that Libya has identified prison reform and relaxing of press restrictions as focus areas for political reform. We will work cooperatively with the Libyan government and people to support these initiatives. We believe a strong civil society and greater political space would also contribute to these efforts to strengthen Libya. As we do with all nations, the United States will maintain an open and honest dialogue with Libya to discuss human rights and good governance. This dialogue will be a necessary element of our future relations with Libya. We continue to call for the immediate release of all political prisoners, including the unconditional release of Fathi El-Jahmi and the group of self-described regime critics led by Dr. Idriss Boufayed, as it constituted an important part of the Secretary's visit.

Libya is in the midst of a major infrastructure development initiative and has undertaken economic reforms. We have begun technical assistance programs in the banking sector, and are committed to helping Libya grow its economy for the well-being of its people and the region.

Our commercial ties are growing, including those outside the hydrocarbon sector. U.S.-Libyan trade in 2007 grew over 17% from the previous year and the majority of U.S. exports to Libya are outside the hydrocarbon sector. U.S. companies have won sizeable contracts for infrastructure and construction projects, and are competing for contracts in other sectors, such as communications and aviation. With respect to the oil sector, Libya, which has the largest proven oil reserves on the continent of Africa, hopes to increase its daily production from 1.7 million barrels per day to 3 million barrels per day with the help of U.S. expertise.

Our relationship with Libya is as old as our republic. With the Barbary States, during Italian colonization, through the travails of World War II, the subsequent period of cooperation and in the Cold War era we engaged with Libya on important issues of security and commerce while building bridges of understanding with the Libyan people. At one time during the 1970s, there were over 4000 Libyan students studying at American universities

many of whom are now senior Libyan government officials and business leaders. However, as our relationship deteriorated in the 1980s these ties were all but severed. Rebuilding these links is an integral part of our reengagement with Libya whether through USG-sponsored public diplomacy programming or promoting private initiatives between our two peoples. Today, over 1000 Libyan students are studying at U.S. universities, and that number continues to grow. To promote greater engagement between the American and Libyan people our two countries have been working on a Protocol on Educational and Cultural Cooperating to facilitate the exchange of individuals and ideas. This is one way we are reconnecting with the Libyan people after a 24-year hiatus that was previously characterized by animosity, mistrust, and misinformation.

Since 2003, the breadth and depth of our bilateral relations with Libya have expanded greatly, but the resources we have committed to support those efforts have frankly not kept pace. I commend the men and women serving at Embassy Tripoli. Their hard work, dedication, and sacrifice have made our relationship what it is today and they have done so in trying circumstances. The Embassy, initially established in a hotel, has only recently moved into a collection of houses that serves as an interim Embassy site. One of my key priorities as Ambassador, if confirmed, will be to oversee efforts to build a new and secure Embassy and to identify the appropriate human and material resources to meet our critical Mission goals.

Mr. Chairman: We have come a long way in this relationship with a former adversary. Acting in accordance with its own national interests, Libya has in fact said “yes” to the United States on the critical issues of abandoning its WMD aspirations, renouncing terrorism, and implementing the claims agreement. In that regard, Libya affords a potentially positive model for other countries that might make similar choices. If confirmed as Ambassador, I look forward to the challenge of setting a firm foundation for future relations with this important country. We have a Libyan government and populace that are eager to engage with the United States, and we should immediately seize on that opportunity - it is in the interests of both sides to do so.