



United States Department of Defense

Speech

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See p. 10 for "might have
destroyed them prior to a conflict."

Council on Foreign Relations (Transcript)

Remarks as delivered by Secretary of Defense Donald H. Rumsfeld, New York, NY, Tuesday, May 27, 2003.

Rumsfeld: I think the first time I met Pete Peterson -- I think it was in the basement of Chuck Percy's house in my congressional district, and they were trying to show a 35-millimeter film. Pete had succeeded Chuck Percy, I believe, as the CEO of Bell and Howell, and neither one of them could get it to work. (Laughter.) Is that right? Oh, I think so.

Well, mentioning wage and price controls, I had no idea this would turn vicious immediately, but -- (laughter) -- hi, John. How are you?

I remember that day. George Shultz came to me, and he said, "Don, the president and I would like you to run the wage and price controls." And I said, "George, I don't believe in them." He said, "I know, Don. That's why we want you to do it." (Laughter.) (Chuckles.)

When it was over, I thought to myself: Hm. It was H.L. Mencken who said, "For every human problem, there's a solution that is simple, neat and wrong." (Laughter.) And we found it.

Well, I thank you for the invitation and the opportunity to talk a bit about the challenges that Pete mentioned in transition from tyranny to a free and civil society. The problems are real, to be sure -- looting; crime; mobs storming buildings; breakdown of government structures and institutions that maintained civil order; rampant inflation caused by the lack of a stable currency; supporters of the former regime roaming the streets, countryside, whose fate has yet to be determined; regional tensions between the North and the South; delays, bickering, false starts in an effort to establish a new government.

If these problems sound familiar, they should. They are the historians' descriptions of the conditions here in America in 1783, in the period after our nation's War for Independence.

Those early years of our young republic were characterized by chaos and confusion. There was crime and looting, and a lack of organized police force. The issue of competing paper currencies by various states led to inflation and popular discontent. There were uprisings, such as the Shays Rebellion, with mobs attacking courthouses and government buildings. There were regional tensions between the mercantile New England and the agrarian South. There were crown loyalists to deal with, many of whom had fought against the Continental Army.

And our first effort at a governing charter, the Articles of Confederation, failed, and it took eight years of contentious debate before we finally adopted a Constitution and inaugurated our first president.

And unlike the people of Iraq, we did not have to face the added challenge of trying to recover from the trauma of decades of denial and brutal rule by a dictator like Saddam Hussein.

The point is this: no nation in memory has made the transition from tyranny to a free society that's been immune to the difficulties and challenges of taking that path, not even our own. As Thomas Jefferson put it, "We are not to expect to be translated from despotism to liberty in a featherbed."

It's now seven weeks since the liberation of Iraq, and the challenges are there. Just as it took time and patience, trial and error and years of hard work before the founders got it right, so, too, it will take time and patience and trial and error and hard work for the Iraqi people to try to overcome the challenges that they face. This much is clear: We, the United States, has a stake in their success; for if Iraq, with its size and its capabilities, its resources and its history, is able to move towards a path of representative democracy, however bumpy the road may be, then the impact in the region and, indeed, in the world could be dramatic. Iraq could conceivably become a model; proof that a moderate Muslim state can succeed in the battle against extremism taking place in the Muslim world today.

The Iraqi people have a foundation on which to build the peace. At least in part because of the speed and the skill and the execution of the war plan by General Franks and his team, some bad things did not happen. The vast majority of those oil fields were not destroyed, and the country's oil wealth is intact for the Iraqi people and environmental disaster was prevented. Think back to what Kuwait looked like after the Gulf War. Key bridges and roads and rail lines were not destroyed, dams were not broken, villages were not flooded. The infrastructure of the country is largely intact. There were no large masses of refugees fleeing across borders into neighboring countries, as there were a decade ago. The former regime did not attack its neighbors with Scud missiles, as they did a decade ago. And the coalition took great care to protect the lives of innocent civilians, as well as the important holy sites.

So, unlike Europe after World War II, for the most part, the people of Iraq do not have to rebuild from this recent war as they work to rebuild their country and society after decades of denial and brutal dictatorship.

We are committed to helping the Iraqi people get on a path to a free society. We do not have an American template that we plan to impose on them. Iraqis will have to figure out how to build a free nation in a manner that reflects their unique culture and tradition. What the president has outlined are some broad principles that are critical if Iraq's transition from tyranny is to succeed: That Iraq be a single country which does not support terrorists, does not threaten its neighbors or the world with weapons of mass terror, or threaten its diverse population with repression; that it have a government that respects and protects minorities, provides opportunities for the people through some sort of market economic arrangements, and justice through an independent judiciary and rule of law.

These are not solely American principles, nor are they exclusively Western principles. They are principles that seem to be common to most of the world's free society. The coalition will seek out Iraqis who support those principles generally and who desire to have a role in their country's future. And those who oppose those principles, whose agenda is to replace Saddam Hussein's tyranny with some other form of dictatorship, will be opposed by the coalition.

As we move forward to help Iraqis build a free nation, there are some guidelines that the coalition is following. And let me set out some of them. Some of them I believe you saw in the paper today. But I'll be very brief.

First, while our goal is to put functional and political authority in the hands of Iraqis as soon as possible, coalition provisional authority -- this is Ambassador Jerry Bremer -- has the responsibility to fill the vacuum of power in a country that has been under a dictatorship for decades, by asserting temporary authority over the country. The coalition will do that.

Second, the coalition will provide security. Among the immediate objectives are the restoration of law and order for the Iraqi people, and the provision of essential services -- water, medicine, food. The coalition is hiring and training Iraqi police, and will be prepared to use force to impose order, as required, because without order, little else is possible in any country.

Third, the coalition will maintain as many security forces in Iraq as is necessary, and will keep them there for as long as is necessary. Already, some 39 nations have offered stabilization forces or other needed assistance, and that number is growing every week. Coalition countries, together with Iraqis, will seek to provide a secure environment so that that Iraqi people will be able to take charge of their country as soon as possible.

Next, the coalition will work to improve the circumstances of the Iraqi people. Already, electric services in the north and south are as good as or better than they have been in 12 years. And the power situation in Baghdad is improving, albeit slowly. It's apparently a fragile system. It was not destroyed by the coalition bombing. Apparently, a few random bombs hit elements of it and created an instability in the system which the best of the Corps of Engineers and the best of the contractors -- I believe it's Bechtel -- are having trouble getting back to a circumstance that would be considered better than prior to this most recent conflict.

The coalition is working to achieve rapid improvements in other public services. We will work to engage the Iraqi people as rapidly as possible, and give Iraqis leadership roles in the reconstruction effort, for it's their responsibility to rebuild their own country.

Fifth, in staffing ministries and positioning Iraqis in ways that will increase their influence, the coalition will work to have Iraqis involved as early as possible so that they can develop and explain the goals and directions to the Iraqi people. Only as Iraqis are engaged, and responsible for, and explaining and leading their fellow citizens, will the broader public support develop that is, in the last analysis, going to be essential for the security of the country.

Sixth, the coalition will work with forward-looking Iraqis and actively oppose the old regime's enforcers -- the Ba'ath Party leaders, the Fedayeen Saddam, and other instruments of repression -- and make clear that it will eliminate the remnants of Saddam Hussein's regime. Those who committed war crimes or crimes against humanity will be tracked down and brought to justice. De-Ba'athification may cause inefficiencies; indeed, it very likely will cause inefficiencies, but it is necessary to removing the pervasive fear from the Iraqi society.

Next, Iraq will need to find ways to heal the wounds the Ba'athists inflicted on their society. The experiences of Eastern Europe and other countries can help to inform this process.

Eighth, market systems will be favored, not Stalinist command systems, which if anyone has been to Baghdad recently, you can see what the effects of that system were. The infrastructure is decayed very much the way Eastern Europe was decayed after decades of Communist rule. The coalition will favor activities that will begin to diversify the Iraqi economy beyond an oil economy. The coalition will encourage moves to privatize state-owned enterprises; and it will work to provide enterprise-driven economic development opportunities for the Iraqi people.

Ninth, the coalition provisional authority is developing a plan for the Iraqi oil industry that's based on transparency. Iraq's oil wealth will be used for the benefit of the Iraqi people.

Tenth, whenever possible, contracts for work in Iraq will go to those who will use Iraqi workers, to countries that assisted the Iraqi people's liberation, that provide assistance to Iraq's recovery, and also to

neighboring countries so as to try to contribute to a greater regional economic development which will accelerate Iraq's economic recovery.

Eleventh, countries and international organizations, including the U.N. and nongovernmental organizations, are being welcomed to assist in Iraq. They can and are already playing an important role. The Coalition Provisional Authority will work closely with them to maintain a focus of effort.

Twelfth, assistance from Iraq's neighbors will be welcomed. Conversely, interference in Iraq by its neighbors or their proxies will not be permitted. Indeed, Iran should be on notice that efforts to try to remake Iraq in Iran's image will be aggressively put down.

Finally, in assisting the Iraqi people, the U.S. will play its role but should not be considered the first and only donor of funds.

The American people have already made a significant investment to liberate Iraq, and they stand ready to contribute to the rebuilding efforts. But when funds are needed, the coalition will turn first to Iraqi regime funds that exist in Iraq -- and we keep finding more and more; I think they found another 1,142 gold bars yesterday in a truck -- we'll rely on seized frozen Iraqi assets in the U.S. and other countries -- these are assets of the Saddam Hussein regime -- and international donors, many of whom are already assisting, as well as the Iraqi funds in the oil-for-food programs, which belong to the Iraqi people.

The transition to democracy will take time. It will not be a smooth road. In Central and Eastern Europe, the process has taken time, but it is succeeding. And trial and error and experimentation will be a part of the process. The efforts will not be perfect. Course corrections will be needed. I'm sure they'll all be pointed to and viewed with alarm, but we'll survive that. And the effort will require a modest amount of patience by all involved if it's to succeed.

It's now been seven weeks in a nation that suffered a dictatorship for decades, that saw tens of thousands of criminals released -- the estimate is something in the neighborhood of a hundred thousand criminals were let out of these prisons, and they're roaming the streets -- and where many of the regime's enforcers are still at large.

When the army was approached, we found that a number of the units fought and then surrendered. We found that other units just took off their uniforms, left their equipment and went into the countryside. So, there are folks that are still out there who obviously do not wish the coalition forces well.

The eventual political outcome will be decided by the Iraqi people, within the broad principles of rule of law, minority rights, individual liberty, and something approximating representative democracy. And one ought not to expect, however, that the outcome in Iraq will replicate ours or any other system that we might be familiar with; it very likely will not.

The Iraqi people have an historic opportunity to build a free and civil society. Doing so will be hard -- hard for them and hard for us -- but the benefits of success for Iraq, for the region and for the world will be enormous. If Iraqis, the Iraqi people, can take hold of their country, develop the institutions of self-government and claim their place as responsible members of the international community, then the world could well have a new model for a successful transition from tyranny to self-reliance, and indeed, a new ally in the global war on terror.

The world has a stake in their success. That's why so many of the world's free nations are already stepping forward to help.

And with that hopeful thought, I'll thank you for listening and be happy to respond to questions.
(Applause.)

Peterson: I've been informed that this occasion is also being webcast. Some day, I'm going to have to figure out what that means exactly -- (laughter) -- but it's apparently very significant. (Laughter.)

I'd like now to ask for questions. Please identify yourself.

Sir? Please identify yourself for those who don't know you.

Q: Could you shed any light on the investigation that has been started on intelligence-gathering, either at the CIA or in other parts of the government?

Rumsfeld: I certainly can. In the Department of Defense, we have a practice that is uniformly followed by successive secretaries of Defense and chairmans of the Chiefs through administrations of both political parties, and that is to have a "lessons learned" activity in -- either after or during a conflict or an activity of some sort.

We have had such a lessons-learned activity after the 9/11 disaster. We had a lessons learned after Afghanistan, and it tended to start late. So for Iraq, I decided to have the lessons-learned activity take place from the very beginning, well before the conflict was even decided upon. As the president decided to flow forces to support the diplomacy in the U.N., we began embedding lessons-learned teams right with the folks in the Central Command, as well as with the Joint Staff. And that process has been a very good one; we've already benefitted from some of the knowledge there.

So, I decided, gee, if it's good enough for the Pentagon, it's probably good enough for the intelligence community. And I dictated a note to George Tenet -- I think it was in early October of last year -- and said, "Say, George, if we end up in Iraq for whatever reason, Saddam Hussein leaves and retires, or his -- there is a coup and he's thrown out, or there's a conflict, we would have a giant laboratory example where we could look at what, in fact, we thought, and then what, in fact, ground truth really was. And we could then improve how we do things." Because a lot of the intelligence assets, of course, are in the Department of Defense.

And George said, "That's a terrific idea, I agree; let's do it." He put together a team of people, and they've been in the process of looking at -- before the conflict started -- the kinds of things that you could benchmark; what did we know, what did we think, what didn't we know, but what we suspected -- and then, afterwards, go in and get ground truth and see how successful were they in their denial and deception techniques; what kinds of things were they able to do to mislead us with respect to our analysis, and the like. And that's what this is about.

The implication in the newspapers that there's some sort of a review going on at the agency or the intelligence community because of some concern that they were wrong, or something like that, is just nonsense. It isn't the case. George and I decided well in advance to do this. We think it's a good idea. It is a good idea. It's worked well for the Pentagon. And I'm delighted it's going forward. And it's unfortunate that people are trying to make something in the press of it that just isn't factual.

Peterson: Thank you.

Yes, right here.

Q: Thank you. Nina Rosenwald (sp), American Securities LP. Mr. Secretary, this morning in the Middle East Newslite there was a report that sanctions against Israel are already being discussed, should Israel fail to do x, y, z. Could you please discuss how you see the road map and this menacing report? Thank you.

Rumsfeld: I did not see the report, so I can't comment on the report -- menacing or otherwise. (Laughter.) I know nothing of it.

What's happened, of course, is that the president and Secretary Powell, properly in my view, made a decision to move forward with the Palestinians and with the Israelis with what you described, I believe, as the road map, and a plan to attempt to see if we can't get that process somewhat off dead center. The opportunity that exists, of course, is in part because of the new prime minister in the PLA, which offers some promise as a potentially effective interlocutor with the Israelis.

What will happen, I don't know, but I do know that the president is actively engaged in it, and Secretary Powell is. And they are each hopeful that people will look at the moment and say that this is an opportunity to accomplish something, and see if they can't do it.

Peterson: No, back there, please. No, I don't want to have just people from the front. Thank you.

Right there, sir. That's right.

Q: (Off mike.)

Rumsfeld: You sound great. (Laughter.)

Q: My concern, Mr. Secretary, is --

Mr. : Identify yourself.

Q: My name is Steven -- (inaudible). And I want to thank you for liberating the country of my birth. (Some people applaud.) (Off mike) -- about the looting that has taken place of the treasures of the country, besides oil, because at one time I saw this as a great opportunity for creating a new industry in the country, the industry of tourism. And I was just wondering what we can do to make sure that all that material is found, returned, and not somehow or other spirited out of the country at the hands of private collectors so that it's never seen again.

Rumsfeld: You bet. I find when I come to New York there's always somebody in the room who is the world's leading expert on a subject that I get asked about. And so I'd like you to identify yourself right now. (Laughter.) (Pause.) All right then, forever hold your peace! (Laughter.)

I am told -- and it's not authoritative -- but I am told that those early reports about the looting in the -- of the antiquities were a misunderstanding, to put it gently -- a misunderstanding of the situation. And that I've been told by a person who was at the museum, physically, three weeks before, that it was, in major portion, empty, and things had been taken and moved, which is not a surprise; curators of museums frequently move things when a war is coming. And I am told also that a large fraction -- I don't even want to use the number, but hundreds of pieces have already been identified, found and returned. And I do not know that what I'm saying is absolutely certain. I do -- have also been told that there are some 38 pieces that are still missing that they're looking for. I'm also told that some of the pieces arrived in major capitals in the West within 24 hours after the war started, which suggests that if it was looted -- if it happened to have been looted,

which I don't know that it was; it may have just been put in safekeeping -- that it might have been an inside arrangement, and that the speculation about it, which came from film -- videofilm of people literally running through there, kids and stuff, doing things -- which were correct; that was happening, there was looting. But the feeling is that the looting actually took place after much of the materials had been moved.

Let me just say a word about looting. I asked the other day to get me some statistics -- you saw the looting that took place in Turkey after the earthquake, and you remember what happened in the -- after the riots in Los Angeles. And we know what happens in a football game or a soccer game in England. I said, "Take several cities and bulk them up to fit the size of Baghdad." And so they took Albuquerque, New Mexico. And the average number of murders per month in Albuquerque, if it were the size of Baghdad, would be 50 a month. And the numbers of robberies and larceny and theft would be 33,000 a month. And these are from the Albuquerque Police Department. (Laughter.) Now, the actual were four murders a month last year, but if you bulk it up to the size of Baghdad, it would be 50. Los Angeles, it was averaging 54 a month, which in the size of Baghdad, would be 82 murders a month and 19,696 larcenies, thefts and so forth. New York would be something like 34 murders a month. Washington, D.C., where I live -- 215. If it were the size of Baghdad, it would be 215 murders a month, and 31,700 robberies, larcenies and burglaries.

Now, we, apparently, have learned to live with that. And we didn't have 100,000, plus or minus, criminals disgorged out of every prison in our country. And it seems to me we need to put these numbers in context a little bit -- just a little bit. (Soft laughter.)

Paris would be 93 -- (laughter, applause) -- and 36,148 larcenies and thefts. (Laughter.)

Peterson: Very good.

Mr. Brademas here.

Rumsfeld: Hello, John Brademas.

Q: Mr. Secretary --

Staff: Wait -- (off mike).

Q: John Brademas, 3rd District, Indiana, and New York University.

Rumsfeld: (Laughs.)

Q: This is a question I've been putting here, Don, for the last few years, and you're the highest-ranking officer I have a chance to put it to.

Given the huge size of the Defense budget and its impact not only on our foreign policy and security policy, but its impact on our economy, jobs, business, race relations, scientific research base, educational system and all the rest, I've been concerned that the universities of the country have not done a good job of trying to understand the processes by which we compose the Defense budget of the government of the United States. And in Congress, unless one was on the Defense Appropriations Subcommittee or House Armed Services Committee, one had only kind of a vague idea of how it was made.

So I ask this question not with respect to favoring or being opposed to any particular weapons system, but in the context of your having spoken about -- out about the importance of reforming the way in which we put our military together. Do you see any contribution that the research universities of the country can make

to enhancing public understanding of how we go about making the Defense budget? It's so huge, but I don't think most knowledgeable Americans have a very clear picture of how it comes to where it is.

I yield back the balance of my time.

Rumsfeld: (Chuckles.) Well, it's -- what do they say about the legislative process? It's like watching sausage being made. It's not a perfect process.

We spend the better part of a year, year and a half, developing a budget and send it over to the Office of Management -- we start in January, generally, and we send it over in about November to the Office of Management and Budget. They've been involved earlier. It then -- the president sends it to the Congress, of course, in February. The Congress then works on it for the better part of a year. Sometimes they pass it that year. Sometimes it is not passed at all -- the authorization bill -- but an appropriation is. And then, of course, sometimes it passes later, and then supplementals come in, because any time -- at any given moment we're working on a budget that was developed from -- anywhere from 12 to 18 months earlier.

And we have very little flexibility in the department to move money around. On a \$380 billion budget, we're allowed to move something less than \$15 million from one area to another area without getting the approval of four committees. That sometimes takes months.

It is a -- I agree; I think the academic institutions of the country could do a better job of helping people understand it. It's -- it's what? Three-point-zero or 3.1 percent of the GDP of our country. It's not a trivial amount. It's a sizable amount.

I am convinced that if we were freed up from many of the restrictions on what we do, that could save, you know, 5 percent of it, probably, which is -- 5 percent of a \$380 billion budget is not nothing. It's a lot.

We're proposing a lot of things to the Congress right now that they would free us up -- for example, the personnel system. We can run the military and we can manage contractors, but we can't manage the civilian sector, which is about 700,000 employees. And we -- because they're not managed, you can't manage them -- it's run by the Office of Personnel Management -- whenever someone needs something done, they reach for the military person, because they can bring him in, they can move him out, they can tell him what to do, or they reach for a contractor, because they can start a contractor and the contract.

We ended up with 320,000 military people doing civilian jobs that they shouldn't be doing, simply because people behave rationally. They get up in the morning. If they want something done, they go to people who can do it, and they -- rather than locking themselves in.

We can't go hire anybody at a college job fair. We can't go to your university and say, "You're hired!" Takes us three months. We have to give them about this much paper. And a corporation walks in and says, "We want you. You're up." So we're not competing effectively for the best people.

There are so many things that people could be better informed on with respect to how this process works that I think it would be a healthy thing. Needless to say, the Congress plays an enormous role in that budget development, which you and I know well.

Peterson: Let me follow up on that last question. If you were God -- you're pretty close now, I would say, but -- (laughter) --

Rumsfeld: (Chuckling.) Come on!

Q: -- how would you --

Rumsfeld: Now zip up your pockets. Yes. (Laughter.) What's going to happen now?

Peterson: I'm looking for a contribution to the council. (Laughter.) Right. How would you reform this personnel system, the civilian side, if you --

Rumsfeld: We have legislation pending up in the House and Senate right now, and we have managed to get it through, in large measure, through the House. It's not been addressed in the Senate. We're now facing a conference that will have to be looking at it.

But what we've asked for is kind of the same flexibility that the Homeland Security Department was given to manage the civilian personnel system. They have a big task of trying to rationalize all of these independent agencies and departments. We have the task of trying to provide for the security of our country, and we're doing things, nonintuitive things that we shouldn't be doing, simply because we can't manage one major segment of our population. And we need the authority to do that, and we have a series -- Dr. David Chu, our undersecretary, developed a set of proposals as to how we might be able to do that better that are pending before the House and Senate.

Peterson: All right, on this side. There, sir, the young -- thank you.

Rumsfeld: You said "young man" and they all stood up. You're not young! (Laughter.)

Q: You've got to grab that one, don't you? (Laughter.) Hedrick Smith, PBS. I want to go back to the point you made at the beginning in answering the first question about lessons learned in the Pentagon. I wonder what information or intelligence you and the military commanders had that caused you to give the orders for tens of thousands of American troops to suit up for chemical and biological warfare. Presumably, it meant that there were those kinds of weapons in the hands of Iraqi troops -- units, Republican Guard and what not. What happened? Where was the information and what have you found out about what went wrong there?

Rumsfeld: Well, we had information that -- we had facts. We know the Iraqis used chemical weapons against the Iranians. We had facts. We know they used chemical weapons against their own population and killed thousands -- tens of thousands with chemical weapons. So, we knew we had a leader that was perfectly willing to use chemical weapons against people.

Second, we had intelligence information -- people chatting with each other -- about "don't mention these words," "don't say that," and that type of thing, indicating that they -- the best information you -- we knew they had chemical programs from the past, and we knew they were talking about these programs in one way or another. I shouldn't say the programs -- they were talking about aspects of it and cautioning people not to say things. We know that they had learned to live in an inspections environment that the U.N. had over them. And they'd gotten very good at living in an inspections environment.

Now, what happened? Why weren't they used? I don't know. There are several possible reasons for that, and we may end up finding out precisely. We are now interrogating -- I think we've picked up about half of the people in the top 55 in that deck of cards -- I think we have 26 of them out of 55 -- and then we have a good number in the next tranche, that goes up to about 200. And we're doing the interrogations -- the agency and -- the agencies are doing multi-agency interrogations. We may actually find out what happened.

One piece of speculation as to what might have happened is the fact that we had no strategic surprise. General Franks did manage to get, we believe, tactical surprise, and he got it by starting the conflict not with a

long, multi-week air war that destroyed the infrastructure and had the risk of killing innocent men, women and children, but he started with a ground war. Second, he went in with a very brief air war that was very precise, had minimal collateral damage, we believe. And he preceded the ground war with a number of special operators moving in and seizing key areas.

Now, if the speed and the way that plan was executed surprised them, it may very well be that they didn't have time to blow the dams or use chemical weapons. It is also possible that they decided that they would destroy them prior to a conflict. And I don't know the answer, and I suspect we'll find out a lot more information as we go along and keep interrogating people.

Q: But can you imagine that they could be so perfect in a war where they performed so badly that they could have destroyed every single one of those weapons? I mean, is that possible?

Rumsfeld: Oh, what makes you think they've destroyed every single one?

Q: Well, I mean, they weren't there, they weren't found with the units.

Rumsfeld: Well --

Q: If they weren't found with the units, and you say that they might have destroyed them, for us not to have found a single one of them would mean that they destroyed every one of them.

Rumsfeld: Well, we --

Q: And yet, they performed terribly in the field.

Rumsfeld: Well, first of all, you say we haven't found them. It's a country the size of California. It is not as though we've managed to look every place. There are hundreds and hundreds of suspect chemical or biological or nuclear sites that have not been investigated, as yet. It will take time. We had a good --

Q: Why?

Rumsfeld: Pardon me?

Q: Why?

Rumsfeld: Why? Because we've only been there seven weeks.

Q: (Off mike.)

Rumsfeld: My goodness gracious. (Laughter.) My goodness gracious.

Peterson: All right.

Rumsfeld: The teams of people are out investigating site after site after site. And they have found these two mobile biological laboratories, which the agency assesses to be just that -- biological weapons laboratories. They're still doing investigations and checking them out, but at the moment, that's the current evaluation of the investigators.

We do know that they bury things, they bury things all over the country. They have buried airplanes,

they have buried tanks, they have buried weapons.

We also know that if you go back to Mr. Blix and the U.N. inspections, that back in the mid-'90s, I believe it was -- and there's somebody here who may be an expert on this and they can calibrate me -- but Mr. Blix was very close, I'm told, to announcing that the Iraqis had no nuclear program. And someone on his team advised him that maybe he might not want to do that right then because -- take a little more time, take a little more time. Well, six months later, they ended up finding that the Iraqis did in fact have a nuclear program. This is after -- years after the '91 war and years after the inspectors had been in there looking around. They advised them not to do that; they then found the nuclear program, and it turned out that they were much further advanced in their nuclear program than anyone had speculated or surmised or assessed, in the intelligence community's language.

Now, how could that be? Well, it could be because it's hard to find things in a country that's determined not to have you find them. And we'll just take our time and we'll go about that business. And my guess is that the kinds of things that the intelligence community provided Secretary Powell, and Secretary Powell provided the United Nations, will in fact be turned up, to the extent that they're still there.

Peterson: Don, I must say that if you ever start referring to me as Mr. Peterson, I will be reassessing our relationship. (Laughter.)

Okay, about how --

Rumsfeld: Are you talking about Mr. Blix? I don't know Mr. Blix.

Peterson: (Laughs.)

Rumsfeld: I don't!

Q: How about this row? You called on me and then you went to somebody else when you saw who it was.

(Moans of disapproval and "nos" from the audience.)

Peterson: All right. Go ahead, please.

Q: Thank you.

Staff (?)/Q: Would you wait for the mike, please?

Peterson: (Whispering to Mr. Rumsfeld) It's better we don't wait for a mike.

Q: Lucy Commisar (sp). I'm a journalist. It's been shown by --

Rumsfeld: Pardon me. What'd you say?

Q: Lucy Commisar (sp), journalist. It's been shown by --

Rumsfeld: Journalist with who?

Q: I'm a freelance journalist. By investigations by the prosecutor of Milan in Italy, which has gotten

thousands of documents about the -- about bank accounts in Europe, particularly Switzerland and Liechtenstein, and then also in Panama, that these were the accounts through which Saddam Hussein hid the rake-offs he was getting from Western companies that were buying his oil, and that's what allowed him to get money for weapons over the '80s and the '90s. And this system, this bank and corporate secrecy system is what allows this to happen. And I assume the Americans know about this too.

Are you going to do anything about this system which allows people, criminals like Saddam Hussein, to get -- this was during the embargo, of course. Are you going to do anything about this system that allows them to get weapons illegally?

Rumsfeld: The Department of Treasury has been working with other countries and attempting to locate the assets that the Saddam Hussein family and regime have placed in other countries. They've found some and they have, I'm sure, not found additional sums. And they're still working on it.

Peterson: (Inaudible.)

Q: (Inaudible.) I'm not a journalist. (Laughter.) While you're enjoying the warm hospitality of the Council on Foreign Relations, Mr. Secretary -- (laughter) -- according to the press, there's an interagency review of our policies toward Iran. What should be the American policy in your view toward Iran?

Rumsfeld: I visited with Colin Powell and Condi Rice this morning about that, about these press reports, which I was not aware of what the press reports were referring to. It turns out that at a lower level in the National Security Council process, they were -- either had a meeting last week or planning to have a meeting to discuss Iran. We do that periodically. It's an important country. It's a country that has been unhelpful with respect to Iraq. It's being unhelpful today with respect to Iraq. The president's policy -- and I hope I can do it justice; and needless to say, I'm in Colin Powell's lane here; this isn't Defense Department business -- but the U.S. policy has been to look at that country and say that there are things happening, that the women and the young people are churning in that country and putting pressure on the handful of clerics that dominate and control that regime. There have been discussions as to whether it might be better to deal with the president, this so-called moderate reformer, or not deal -- or deal with the clerics or not deal with either. And the argument for dealing with the moderate was that you might strengthen him, the president. It might give encouragement to those people. The argument against that is that he clearly is there at the whim of the clerics, and each time he seems to move towards very much reform, he gets his leash pulled -- the chain pulled on him and he is stopped from doing that.

Therefore, the policy of the United States has been in recent years to attempt to not engage the top two layers of that country to try to say things and do things that reflect an understanding of the circumstance of the people of that country, and hope that the people of that country will have an opportunity to find ways to persuade the leadership in that country that they're going down the wrong road.

To the extent we got into a close, intimate relationship, political, diplomatic relationship with the senior levels in that country, we might find that we'd be in a position where we were being discouraging to the people of the country, because we would be giving them credence, we would be giving them legitimacy. And so, the position has been roughly as I've described it. My personal view is that I'm still amazed at how fast it went from the shah of Iran to the clerics -- to the Ayatollah Khoemini. Maybe we'll be favorably surprised some day that it will go back to something that -- where the people of that country will have a broader voice and an opportunity to affect their lives, which clearly, they're restricted from doing today.

Peterson: We have one more question, please, right there, and then --

Q: My name is Khalid Azim (ph). I'm with Morgan Stanley, sir. My question is referring to your op-ed piece in the Journal today. You talked about the singular character of the Iraqi people. Could you expand on what you meant by that, sir?

Rumsfeld: Can you read me the whole sentence? (Laughter.) I mean, I --

Q: It's in the op-ed piece. You talked about the singular --

Rumsfeld: If I said it, I hope I didn't. If you mean -- if it was -- if you think it meant that all of the people in that country are alike, I was just kidding. (Laughter.) I don't really want to -- (applause).

What did it really say?

Q: Patience and respect for Iraq's singular character.

Rumsfeld: Ah, okay. That is a very different thing than what I thought you said -- or how you misquoted me. (Laughter.)

Iraq is distinctive. It is a nation that has a people that are intelligent, that are energetic, that -- they have resources. They have a historic position in the world, in that part of the world, that is important. It has size. And in that sense, I would say that the word "singular" could be used.

Certainly, it could not be used if one were thinking that it meant that the Iraqi people were all alike, because, in fact, they're -- you know, widely differ in terms of their religion, in terms of their approach and in their viewpoints.

And that will be one of the challenges that the Iraqi people will have as they fashion an interim authority first, and then a constitutional process for the development of a constitution, then, ultimately, a more permanent government over the coming weeks and months.

I'm relieved that I said what I said. (Laughter.)

Peterson: Mr. Secretary, thank you very much. (Applause.)

<http://www.defenselink.mil/speeches/2003/sp20030527-secdef0245.html>