CARNEGIE ENDOWMENT
FOR INTERNATIONAL PEACE

WELCOME AND MODERATOR:
JESSICA MATHEWS, PRESIDENT,
CARNEGIE ENDOWMENT FOR INTERNATIONAL PEACE

SPEAKERS:
STEPHEN J. HADLEY,
ASSISTANT TO THE PRESIDENT
FOR NATIONAL SECURITY AFFAIRS

TUESDAY, FEBRUARY 5, 2008

Transcript by
Federal News Service
Washington, D.C.

JESSICA MATHEWS: Good evening, all. My name is Jessica Mathews. I'm president of the Carnegie Endowment for International Peace. I know that I speak on behalf of the whole Carnegie board, which is with us tonight, when I say how honored and happy and pleased we are to have with us our former colleague, Steve Hadley, current national security advisor, of course, and member of the Carnegie board until he left to become the deputy national security advisor all these many years ago in 2001.

Steve, we understand that in advance of the president's trip to Africa, you intend to talk tonight about the importance of new partnerships with developing nations to address the many problems facing them from fighting disease, hunger, debt, conflict to providing education and building democratic government. Given the huge importance of these issues and the recent events in Kenya, Chad, and Zimbabwe, I'm particularly regret that we can't be joined this evening by our newest trustee at Carnegie, Kofi Annan. But as all of you know, he's been in Kenya working tirelessly to achieve a peace plan between that country's political leaders and a critical mission if there ever was one in which we wish him success. He has sent his great regrets at not being able to be with us tonight.

It's also fitting, of course, that you have agreed to give a talk about partnership at Carnegie. As the oldest foreign policy think tank in the world, the Endowment has made a habit of reinventing itself as circumstances on the international scene have merited. And as globalization has taken hold of so many aspects of our lives and a global approach has become so obviously needed to tackle the major challenges, we have set out to break the traditional think-tank mold here in Washington and to begin to work on solutions to problems in partnership with leading scholars in and from the key regions of the world. So a year ago this week, we announced Carnegie's plan to pioneer the first global think tank. And since then, building on our 15 years of running a very successful research operation in Moscow, we have opened offices in China, Europe, and the Middle East. So it's a particular pleasure on the first anniversary of that launch to be hearing, to welcome you back to the Endowment, Steve, and look forward to hearing your views on this important new set of partnerships. Thanks.

STEPHEN J. HADLEY: Thank you, Jessica. James Gaither, thank you for your leadership. It's a pleasure to be with you this evening. For nearly a century, fellows of the Carnegie Endowment for International Peace have made contributions to our public debate on international affairs. In the 21st century, your work will continue to be vital. I appreciate your efforts to expand your presence in other parts of the world so that Carnegie can offer a truly global perspective on the choices in front of us.

As you know, next week the president and Mrs. Bush will travel to Africa. It will be his second visit to the continent since 2001 and Mrs. Bush's fifth visit. They will travel to Benin, Tanzania, Rwanda, Ghana, and Liberia. The trip will be an opportunity to demonstrate American commitment to the people of these countries and to Africa as a whole. The trip will highlight how the United States has partnered closely with the people of Africa to address the challenges of disease, poverty, and security and how together we have made remarkable progress.

There's now more hope in Africa and the American people can be proud that many of our innovative programs are making a real difference. Africa is also one part of the world where you can see in action the president's approach to development. And tonight I'd like to describe the concepts and the principles behind that approach, how his initiatives are having an impact, and why this approach deserves the support of both political parties here in Washington in the years ahead.

We help the people of the developing world because America is a compassionate nation. When Americans see people in need, they want to help because we believe, as a nation, that every individual deserves the opportunity to reach his or her potential. As the president said in his State of the Union last week, building a freer, more hopeful, more compassionate world reflects the calling of our conscience. Yet we also recognize that helping people in the developing world is very much in our national interest. People who are free, educated, healthy, empowered, and able to use their freedom to enhance their economic wellbeing are less likely to support terror or attacks on others.

If this new century has shown us anything, it is that our own prosperity, freedom, and security are increasingly intertwined with those of less developed nations. President Bush believes that U.S. development assistance is central to our nation's national security and foreign policy and his budgets have reflected that commitment. Since he took office, he has more than doubled U.S. development assistance from about $10 billion in 2000 to about $23 billion in 2006. This is the largest increase in development assistance since the Marshall Plan.

In his first four years in office, the president doubled our official development assistance for Africa. At the G8 summit in 2005, he promised to double our assistance to Africa once again by 2010. And the president's budget request for fiscal year 2009 that was released today reflects that commitment. If approved by Congress and fully implemented, this budget request will ensure that our nation keeps its promise to our international partners and to the people of Africa.

The president's approach to develop grew out of the collective wisdom our nation has gained from decades of experience working with the people and nations of the developing world. In some nations, our development assistance seemed only to subsidize corrupt regimes while the people continued stuck in poverty. Yet in other nations, our assistance did help strong economies and democracies emerge and helped make people more prosperous. What accounted for the difference?

The president's approach to development answers this question and reflects these lessons learned. The best way to enhance development is to invest in people: their health, their education. So this is what we are doing while encouraging governments in the developing world to make the choices that enable their people to achieve a better life. We are measuring success by the number of lives that change, not the number of dollars that change hands. We are using our assistance to encourage innovation and reform, not to subsidize governments that have failed to invest in their people. We are helping nations to open their economies to free markets and free trade so they emerge over time from

dependence upon foreign aid. And we are building relationships based on partnership, not paternalism.

Our president's budget commitment for development combined with his approach to development have allowed our nation to build partnerships to help developing nations fight many of their most pressing challenges. First, the United States is partnering with developing nations to fight terrible diseases. The president's emergency plan for AIDS relief, proposed by the president, but funded by the Congress and supported by the American people, is the largest international health initiative in history ever dedicated to a single disease.

PEPFAR is based on partnerships with local communities and indigenous organizations that deliver treatment and care for those suffering from the disease and prevent its spread. PEPFAR has helped bring lifesaving treatment to more than 1.4 million people around the world. The president has asked Congress to double this initial commitment to the program with an additional $30 billion over the next five years. These new funds will help bring us closer to our goal of treating 2.5 million people, preventing more than 12 million new infections, and caring for more than 12 million people including five million orphans and vulnerable children.

The president's malaria initiative, also with the support of the Congress, is helping to fight a disease that claims the lives of one million children under the age of five each year in sub-Saharan Africa. This is a five year, 1.2 billion-dollar effort. The key to beating the disease is fighting the mosquito, so the initiative provides insect insecticide-treated bed nets and indoor spraying as well as anti-malaria medicines. Through this initiative, U.S. tax dollars leverage private-sector support, and more than six million long-lasting insecticide-treated mosquito nets are being distributed through public-private partnerships.

The president's malaria initiative has already reached an estimated 25 million people in 15 African countries. Our goal is to reduce the mortality rate of this disease over five years in those 15 countries by 50 percent. The United States also leads the world in its support for the Global Fund to Fight AIDS, Tuberculosis, and Malaria, making the fund's founding contribution and the United States has contributed approximately $2.5 billion to date, far more than any other nation.

Second, the United States is partnering with developing nations to provide basic education. Our Africa education initiative is providing $600 million over eight years to increase access to quality, basic education. By 2010, this effort will have distributed over 15 million textbooks, trained nearly one million teachers, and provided 550,000 scholarships for young women.

Last May, President Bush launched the International Education Initiative and committed to provide an additional $425 million over five years to make our international education programs more effective. U.S. resources are focused on countries that demonstrate a strong commitment to education by investing their own resources in schools and teachers operating with financial transparency and adopting plans with international standards. This approach will help to provide an additional four million children with access to basic education in Ethiopia, Ghana, Honduras, Liberia, Mali, and Yemen.

Third, the United States is partnering with developing nations to fight hunger. Currently, more than half of the world's food assistance comes from the United States. In 2007, our emergency food aid reached 23 million people in 30 countries. Last week, the president proposed an initiative to supplement food aid grown in the United States with crops re-purchased from local and regional farmers. These purchases would help our nation respond to crisis situations, but also help break the cycle of famine in developing countries by encouraging local agriculture rather than displacing it.

Fourth, the United States is partnering with developing nations to lift their burden of debt. For decades, many governments had to spend huge amounts of money just to make interest payments on their accumulated indebtedness, money they could have otherwise invested in their people. This debt limited the growth of developing economies and trapped millions of people in poverty. So the president worked with our G8 partners to ease this debt burden. Three years ago, at Gleneagles, Scotland, the G8 nations agreed to support a multilateral debt-relief agreement that will free poor countries of up to $60 billion of debt. Last year, we built on this progress when the Inter-American Development Bank approved another debt-relief initiative for some of the poorest nations in the Western Hemisphere. This initiative will cancel $4.4 billion owed by five countries: Bolivia, Guyana, Haiti, Honduras, and Nicaragua.

Fifth, the United States is partnering with developing nations to build democratic and accountable institutions of government. To succeed in the global economy, nations need fair and transparent legal systems, free markets that unleash the creativity of their citizens, banking systems that serve people at all income levels, and business climates that welcome foreign investment and support local entrepreneurs. The United States is helping developing nations build these and other free institutions through the Millennium Challenge Account.

This program funds projects in nations that govern justly, fight corruption, invest in the education and health of their people, and promote economic freedom. Since its inception in 2004, the Millennium Challenge Corporation has approved compacts totaling over $5.5 billion with 16 partner countries. In Benin, the MCC compact helped reform national policy on microfinance and helped small farmers and entrepreneurs build their businesses. And in Ghana, MCC projects will increase the production of high-value cash crops in some of Ghana's poorest regions and then help bring those products to regional and international markets.

Sixth, the United States is partnering with developing nations to – by expanding trade and opening markets. In the long run, the best way to lift people out of poverty is through trade and investment. Open markets ignite growth, increase transparency, and strengthen the rule of law. A recent World Bank study found that developing nations that lowered their trade barriers in the 1990s grew three times faster than those that did not. The United States opened the markets through international trade and investment agreements.

These agreements establish rules such as non-discrimination, respect for private property, transparent regulation, and independent dispute settlement. In 2000, the United States had free-trade agreements with three countries. Today, we have free-trade agreements

in force with 14 countries, most of which are in the developing world. We are urging Congress to improve the free-trade agreement we've negotiated with Colombia, Panama, and South Korea and we are discussing bilateral investment treaties with several developing nations. These treaties would promote greater U.S. investment in these countries, encourage economic reform, and strengthen government accountability. The United States is also seeking to open markets through the Doha round of trade negotiations. Doha represents a once-in-a-generation opportunity to help millions in the developing world rise above poverty and despair. And the president is committed to concluding an ambitious Doha round agreement this year.

Finally, the United States is partnering with developing nations to address regional conflicts and help bring peace. Peace and security are necessary foundations for development and democracy because people who fear for their safety cannot easily access the global market price or participate in the free institutions of democracy. So the United States is working with regional organizations and other nations to build capacity to respond to crises and conflicts across the globe. In Liberia, the United States has helped a democracy emerge from a brutal dictatorship in less than five years. We worked with our partners at the United Nations to impose sanctions on the Charles Taylor regime. As he fled into exile, we provided logistics support to deploy a regional peacekeeping force to protect the innocent and establish order. We assisted the transition government and helped it hold free elections and we strongly support the first elected female head of state in Africa's history, President Ellen Johnson-Sirleaf, as she and the Liberian government reform their security forces, strengthen democratic institutions, rebuild their infrastructure, and connect their people to the global economy.

In Africa alone, the United States has helped end conflicts in Sierra Leone, the Democratic Republic of the Congo, Angola, and Burundi. We helped end the north-south civil war in Sudan and we are leading international efforts to stop the genocide in Darfur. We are working with the African Union and sub-regional organizations like the Economic Community of West African States to enhance their peacekeeping capabilities. The United States is committed to training 75,000 peacekeepers worldwide and we will meet that target. Some of those U.S.-trained peacekeepers are already on the ground in Darfur. And in this way, African institutions can increasingly contribute to solving regional conflicts.

America's partnerships with developing nations are helping to make the world a better place. We are helping to treat the sick and feed the hungry. We are helping to teach children and empower entrepreneurs. We are helping to open markets and strengthen good government. We are helping more people live lives of dignity and hope. The American people can be proud of what their government is doing in their name in the developing world.

Our partnership model for development also offers the world an alternative to two competing visions for the future of the developing world. One vision is the donor-client dynamic of decades past, a well-meaning, but ultimately flawed approach that kept too many people mired in poverty. Another alternative is the ideology of hatred that sees suffering as an opportunity to foment violence against the innocent and advance an agenda of oppression and despair.

The president believes that America is now offering a third and more hopeful vision. He appreciates the bipartisan support in Congress for this development strategy. In the coming years, such support will continue to be vital for the future of the developing world and for the future of our own country. Thank you very much.

(Applause.)

MS. MATHEWS: We have time for some questions. There are microphones that will be moving around so if there is anybody who would like to start – yes. The microphone is right behind – oh, there you are.

Q: Thank you, Jessica. Thank you for your remarks, Mr. Hadley. I have a question about America's role in helping to stem the flow of arms, weapons to developing African states, arms that, of course, fuel some of the civil conflicts there and make, take lives and make development more difficult to achieve. There is a United Kingdom – a British-led initiative for a global arms-trade treaty. There is a meeting that occurs on Monday, a group of experts meeting. It will be the first for this initiative. The goal is to pursue guidelines for the arms trade. My question is will the United States be participating in that experts meeting that begins Monday? And, if not, why not?

MR. HADLEY: The short answer is I do not know whether we are participating or not and I will find out. Obviously, standards are useful. It seems to me a worthy undertaking. The other thing, though, I think we have found is, trying to build consensus in particular circumstances to cut off the arms flow and that is what we have pursued. But let me find out and I will let Jessica know.

MS. MATHEWS: We'll reconnect. Anybody else? Yes. Over here.

Q: I wonder if you could talk briefly about some of the tough cases – over here, Steve – that are not amenable to cooperation, but – the Zimbabwes, the Somalias, the, now, it looks like Chad, Darfur and so on.

MR. HADLEY: Zimbabwe is a heartbreak to watch what is happening to that country. We have worked on that issue for seven years, and I don't think we've made a whole lot of progress. And part of it is a reluctance to be frank, of a number of countries in the region, to recognize what is happening in Zimbabwe, draw the necessary conclusions, and put pressure to make change. And it has to do with the politics of the country, of the continent. It has to do with history in Zimbabwe. It has to do with the symbol that Robert Mugabe represents to those who opposed colonialism, but is an issue where, in the end of the day, the region needs to step up and, in our view, there is a lot more that can and should be done.

So it is not one of the success stories in the continent, and it is a real tragedy that we watch unfold.

Chad is an interesting case, and one that I think the way – what you would like to achieve is pretty clear. This latest go-round occurred, in some sense – what we have in Chad is a situation where Chad is backing rebels operating in Sudan and Sudan is backing rebels

operating in Chad. And, of course, the people of both countries are paying the price because the disruption puts people out of their homes and ensures that humanitarian assistance does not get through.

So what the way forward needs to be is to get both of these governments to recognize that they have an obligation to their peoples to agree to end the support of these reciprocal rebel groups and allow the international community in to ensure people can be resettled and humanitarian assistance can get in place.

One of the things that is unfortunate about the most recent, in support from Sudan of the rebels going into Chad, is it was just at the time when the EU was stepping up to deploy a force that could have provided some stability in Chad and ensured that people were not further displaced and humanitarian assistance could be provided.

And I don't know whether it was a preemptive move or not. We need to get back to that kind of framework. It's difficult, but it's a piece, of course, of the broader saga in Darfur, and, again, another complicated situation, and the way forward is also pretty clear. The United Nations force needs to deploy. This is partly putting pressure on Bashir to accept it, but it is also all of us pulling up our socks and getting the force ready to deploy, and after a year plus of discussion, it is still not ready to deploy.

If we have one thing, I think, that is lacking on this and so many other problems, it is a lack of capacity among free democratic nations in the international community to deal with the kinds of transnational challenges we face in the 21st century. There is a capacity deficit, and we see it in the context of Darfur, the length of time that has been required to try and assemble and deploy a force. We've been at it for a year and a half, and there's still very little on the ground.

This is the key to stabilizing the situation, to making it clear to the Sudanese government that they need to negotiate with the rebels, and similarly putting pressure on the rebels, which have gone from three groups to almost 20, to sit down, have a common position, and try and negotiate a solution, and, at the same time, with the U.N. force deployed, ensuring that humanitarian assistance gets on the ground.

The good news is – it is genocide, there's no question – killings are down. But the humanitarian suffering is enormous. And, again, I would say one of the challenges that this administration has, one of the challenges the next administration is going to have is the capacity deficit, whether it is peacekeeping forces, whether it is national institutions able to control their own territory and able to deal with a combination of terrorists and narcotics purveyors that actually have more arms and more money than some of the governments in which they are operating. This is the problem we've got.

MS. MATHEWS: Can I just – I will get to you in a second, but just to quickly follow up on that, in the 1990s, this came up over and over, and the proposal that was often made, there were the – observation was that the United Nations has to reinvent the peacekeeping force, from the pencils to the rifles and the doctrine and the leadership and the military capacity every time from nothing. And Canada, the Netherlands, and many others had urged that there be a standing planning capacity within the United Nations so that you

don't have to start at ground zero. Having watched what you've watched for seven years, do you see a reason for doing that?

MR. HADLEY: I think the planning capacity, actually, is in some sense easier. The issue is, also, do you want a U.N. army basically deployed by the secretary general? And I think the concern about that has been where would it come, who would pay for it, and how effective would it be on the ground.

I think another piece of it – in a way, that may be the easiest part. The second piece of it, though, I think we have to think about is, what do we do when the armies have done their job? And whether it's post-conflict situations or failed states, where countries then need to transition from a temporary peace brought on by armed forces to a society that has – can provide security and a way forward for prosperity for their people.

What is the problem we've had in places in like Afghanistan and Iraq and all these other places? It's moving in quickly to be able to build police institutions, judicial systems, prosecutors, prosecutorial systems, getting governments up and functioning at the national level and the local level. These are a set of skills that we do not develop, train, exercise and deploy in the systematic way that we do our military forces.

In some sense, the military piece is easier to solve. And when I talk about under-capacity, this, to me, is the lesson of Bosnia and Afghanistan and Iraq. We treat each of these situation as a pick-up game rather – rather than having made the investment both in national authorities, in places like the EU, and in terms of the United Nations, to develop this kind – these kinds of capabilities, and to do it in an inter-knitted way so in one of these crises, we can all come together, worked out with rules of engagements, and have a task force that can help countries make these kinds of transitions.

This is just another piece of the capacity problem, which I think is the challenge we have, because if you look at the family of democratic states who are natural allies in dealing with these situations, and look at the transnational challenges they face, in many places of the world it's a mismatch.

Q: Mr. Hadley, you've spoken about genocide in Darfur. And the leadership role which the U.S. has provided it in regard to Darfur has been much applauded around the globe, especially in Africa.

I want to ask you about another genocide situation – in the same valley of the Nile, in northern Uganda – longer, deeper, where at the height of it, two million people were in 200 concentration camps; and as we speak, there's still 1.5 million people in concentration camps. Some have been in these camps for 21 years. Most of them have been there for 11 years. People are dying in the camps at the rate of 1,500 a week, which is three times the death rate in Darfur – 1,000 children a week. HIV/AIDS, as you know, has been used in these camps by the soldiers as a weapon of mass destruction. Could you tell us what the administration has done to end the genocide in northern Uganda?

MR. HADLEY: It's a long – it's a long story, and I cannot do it justice. But I think one of the things people need to understand is we do a lot of talking about the problem in

Sudan and Darfur, and it is, historically, it killed 2.5 million people. But in terms of the lakes district, in terms of Congo, the latest estimate that I have is now 5.4 million people died, in addition to the suffering that you've described. It has been inheritor, in some sense, of the struggles that happened in Rwanda, and basically our approach has been to work with the governments in the region to try and address each one of these problems.

We have now had a successful election in Congo. There are arrangements that are being worked out with neighboring states to try and to begin to disarm these groups. We have supported that effort with our diplomacy and other support. But I would say to you it's taken too long, and it's not done yet. And we continue to work at it, and it is going to be with us for a while. It's one of the reasons the president is going to Rwanda.

Q: And the genocide in northern Uganda?

MR. HADLEY: There are – there are groups there whose tactics are unspeakable, and it is one of the reasons why we have been supporting the U.N. presence that has occurred in some of those areas, why we have been training the forces of the Congolese government and the like. More needs to be done. More needs to be done.

Q: My question is exactly the opposite of that question, because it – you were talking earlier about working with the African leaders and all of the things that could evolve. First thing is, you've used the term "genocide" three times in regards to Darfur –

MR. HADLEY: I did.

Q: How many African presidents, how many African leaders use that term in regards to Darfur? And surely, as the gentleman pointed out there, the Lord's Resistance Army in Uganda – the Congo are, by scale, much, much worse in terms of displacement and deaths. So isn't it a matter of what is is in this term?

MR. HADLEY: A little bit. I think our government is the, so far as I know, the only government that has called it genocide. And first you have to recognize and name the problem before you can, obviously, do something about it.

Q: But I'm saying, Mr. Hadley –

MR. HADLEY: Yes, sir.

Q: Those presidents are right there in the area. If they don't know, I mean – they don't call it genocide. You call it genocide. And I'm saying how can you work with them towards some resolution when you're that far apart?

MR. HADLEY: Well, there are maybe reasons why those leaders have been unwilling to use the name genocide. But we have – believe that it is the right thing to continue to work with them to address this problem. There is a U.N. – there is an AU force that is on the ground. There are a number of countries – Rwanda in particular, but also Nigeria – who have contributed troops to that force. And that force is going to be the core of the U.N. force that is hopefully going to be deployed, and we think will make a difference,

on the ground in Darfur. So the failure to agree on the terminology, I think, has not prevented us from working with other leaders in the region.

But I want to mention one thing that is important: There are leaders and there are leaders. And one of the things that is part of the Millennium Challenge Account program I described is a recognition that while there is a minimum level of humanitarian assistance and development assistance that should be available throughout the continent, the real solution to problems are only going to come from leaders that are prepared to do the things I described: care about their people governed justly, fight corruption, invest in their people through education or health, are open to free markets, and are willing to step up and take responsibility for dealing with some of the conflicts that afflict the continent.

There are some leaders who've been up to that challenge. There have been a number who have not. And our challenge is to work with those who have, to strengthen them, strengthen their institutions, and, over time, give them the capacity so that Africa can increasingly take a lead in dealing with Africa's problems. That's what the Africans want. That's what we want.

But it is an uneven record about people who've been prepared to step up and really put their back into trying to find a solution. I don't have a better answer for you than that.

MS. MATHEWS: In the back? Right there.

Q: Thank you. (Unintelligible.) You've been talking about capacity and problems of institution in Africa. The president is going to one country, which is Tanzania, near another country, which is Kenya, which was really stable, where people were hoping democracy was working – but a lesson is learned: It is not stable. So what can the international community, or America, do, apart from just helping in humanitarian assistance? What can be done, taking the Kenya example?

MR. HADLEY: Sure. Our senior State Department diplomat, Jendayi Frazer, has been on the ground several times there, working with the parties. She has also – we have had – you know, the AU head appeared; Kofi Annan is now on the ground.

The objective is the following: to put pressure on both leaders to recognize what their dispute is doing to that country, and to agree, if you will, on a time out: an agreement between the two sides that will stabilize the situation, call on their followers to not resort on violence, allow humanitarian assistance in, and work together so that we can go to the point in the future where there will be a free and fair election under appropriate supervision.

Many people believe that to go to elections now would not be a prescription for bringing stability to the region. So for the moment, it has been very much hands-on diplomacy with the United States present on the ground, and also putting pressure on other countries to step up and, again, use their influence with the parties.

There is – I think we have a long way to go. Kofi Annan's mission announced over the weekend that they had agreed to talks on a set agenda; that is a start. I think we are giving the parties a reasonable time to try and step up and see what needs to be done. And

at some point I think we're going to have to start indicating where the responsibility lies for the failure of these two camps to come together and develop a way forward.

Interestingly enough, I'm told by experts, and who have watched the situation on the ground, that the local civil society and media in Kenya have been providing a very constructive role. I'd be interested – and some of you are aware of this – the news media, for example, coordinated among themselves on a single message, which they all put on their editorial pages, telling the parties that the way forward, I was described, was what they needed to do for the good of the country. It's been very interesting to see the local institutions playing a role in that way.

But it is a great tragedy. I mean, this is a country that we have all looked to as a model. It has fallen on hard times and it – the country and the people need their friends, and we are stepping up to try and play that role.

MS. MATHEWS: We have time just for one more, the gentleman right here. Wait for the mike, okay?

Q: Thank you. I'll Bill Eichert (ph). Ms. Mathews – Mr. Hadley, would you entertain a question that's off the African continent, over at Iran and the Persian Gulf?

MR. HADLEY: Certainly.

Q: Okay, sir. The naval incident that almost blew sky-high several weeks ago, and only by the restraint of the U.S. Navy was there – only by the restraint of the U.S. Navy are we at peace with Iran, or are we? Do you think it was the Revolutionary Guards taking their own direction? Or was it the Iranian government? And what do you think was the point of that provocation on the part of Iran?

MR. HADLEY: As is the case with so many things about Iran, we don't really know. It appears that it was IRGC, rather than regular navy. It was certainly a very provocative act. We have seen provocative acts by them in the past; one resulted in the taking of U.K. citizens and sailors hostage.

The president, when he was in that part of the world and his swing through the Middle East and the Gulf, met with the three-star admiral who was directing those forces at the time. And I will tell you, it came very, very close to being an incident where the local commanders, in each case, on those ships would have opened fire on the very provocative action that was taken by those boats.

Hard to know on Iran. It is – the region is very split. Some people think it is lucky that conflict was avoided. Some actually think that it would have been better if the United States had taken action against the boat. It's a very interesting split opinion within the region.

The president was very clear that this action is unacceptable, that our local commanders have rules of engagement that allow them to defend themselves; and if there is a return to something like this, the consequences will be on Iran's head.

MS. MATHEWS: Steve, I want to thank you for a wonderful briefing on the president's trip. We wish you good traveling. And please join me in thanking Steve Hadley.

(Applause.)

(END)