

HON. RON PAUL OF TEXAS BEFORE THE US HOUSE OF REPRESENTATIVES June 3, 2004 The Same Old Failed Policies in Iraq

Mr. Speaker, the more things change, the more they stay the same. Our allegiances to our allies and friends change constantly. For a decade, exiled Iraqi Ahmed Chalabi was our chosen leader-to-be in a new Iraq. Championed by Pentagon neocons and objected to by the State Department, Mr. Chalabi received more than 100 million U.S. taxpayer dollars as our man designated to be leader of a new Iraqi government. But something happened on the way to the coronation. The State Department finally won out in its struggle with the Pentagon to dump Chalabi and his Iraqi National Congress, delivering Iraq to a competing exiled group, Dr. Iyad Allawi's Iraqi National Accord. But never fear, both groups were CIA supported and both would be expected to govern as an American puppet. And that's the problem. Under the conditions that currently exist in Iraq, American sponsorship of a government, or even United Nations approval, for that matter, will be rejected by a nationalistic Iraqi people. We never seem to learn, and the Muslim Middle East never forgets. Our support for the Shah of Iran and Saddam Hussein's war against Iran has never endeared us to the Iranians. We're supposed to be surprised to discover that our close confidant Ahmed Chalabi turns out to be a cozy pragmatic friend of Iran. The CIA may have questioned the authenticity of Iranian intelligence passed on to the U.S. by Chalabi, yet still this intelligence was used eagerly to promote the pro-war propaganda that so many in Congress and the nation bought into. And now it looks like the intelligence fed to Chalabi by Iran was deliberately falsified, but because it fit in so neatly with the neocon's determination to remake the entire Middle East, starting with a preemptive war against Iraq, it was received enthusiastically.

Inadvertently we served the interests of both Iran and Osama bin Laden by eliminating the very enemy they despised- Saddam Hussein. To the Iranians delight, it was payback time for our allegiance with Saddam Hussein against Iran in the 1980s. The serious concern is that valuable and top-secret U.S. intelligence may well have gone in the other direction: to Iran with the help of Chalabi.

These serious concerns led to the dumping of the heir apparent Chalabi, the arrest of his colleagues, and the raid on his home and headquarters to seize important documents. The connection between Chalabi and the U.N. food-for-oil scandal is yet to be determined.

What a mess! But no one should be surprised. Regime change plans- whether by CIA operations or by preemptive war- almost always go badly. American involvement in installing

the Shah of Iran in the fifties, killing Diem in South Vietnam in the sixties, helping Osama bin Laden against the Soviets in the eighties, assisting Saddam Hussein against Iran in the eighties, propping up dictators in many Arab countries, and supporting the destruction of the Palestinian people all have had serious repercussions on American interests including the loss of American life. We have wasted hundreds of billions of dollars while the old wounds in the Middle East continue to fester.

How many times have our friends become our enemies and our enemies our friends, making it difficult to determine which is which? Our relationship with Kadafi in Libya is an example of the silliness of our policy. Does his recent "conversion" to our side qualify him for U.S. assistance? No one can possibly predict what our relationship with Kadafi will be in a year or two from now. My guess is that he too has a long memory. And even if he becomes a U.S. stooge, it will only foment antagonism from his own people for his cozy relationship with the United States. Long term, interference in the internal affairs of other nations doesn't help us or those we support.

Those who strongly argue behind the scenes that we must protect "our oil" surely should have second thoughts, as oil prices soar over \$40 with our current policy of military interventionism. The real tragedy is that even those with good intentions who argue the case for our military presence around the world never achieve their stated goals. Not only do the efforts fall short, the unintended consequences in life and limb and dollars spent are always much greater than ever anticipated. The blow back effects literally go on for decades.

The invisible economic costs are enormous but generally ignored. A policy of militarism and constant war has huge dollar costs, which contribute to the huge deficits, higher interest rates, inflation, and economic dislocations. War cannot raise the standard of living for the average American. Participants in the military-industrial complex do benefit, however. Now the grand scheme of physically rebuilding Iraq using American corporations may well prove profitable to the select few with political connections.

The clear failure of the policy of foreign interventionism followed by our leaders for more than a hundred years should prompt a reassessment of our philosophy. Tactical changes, or relying more on the U.N., will not solve these problems. Either way the burden will fall on the American taxpayer and the American soldier.

The day is fast approaching when we no longer will be able to afford this burden. For now foreign governments are willing to loan us the money needed to finance our current account

deficit, and indirectly the cost of our worldwide military operations. It may seem possible for the moment because we have been afforded the historically unique privilege of printing the world's reserve currency. Foreigners have been only too willing to take our depreciating dollars for their goods. Economic law eventually will limit our ability to live off others by credit creation. Eventually trust in the dollar will be diminished, if not destroyed. Those who hold these trillion plus dollars can hold us hostage if it's ever in their interest. It may be that economic law and hostility toward the United States will combine to precipitate an emotionally charged rejection of the dollar.

That's when the true wealth of the country will become self-evident and we will no longer be able to afford the extravagant expense of pursuing an American empire. No nation has ever been able to finance excessive foreign entanglements and domestic entitlements through printing press money and borrowing from abroad.

It's time we reconsider the advice of the founding fathers and the guidelines of the Constitution, which counsel a foreign policy of non-intervention and strategic independence. Setting a good example is a far better way to spread American ideals than through force of arms. Trading with nations, without interference by international government regulators, is far better than sanctions and tariffs that too often plant the seeds of war. The principle of self-determination should be permitted for all nations and all demographically defined groups. The world tolerated the breakup of the ruthless Soviet and Yugoslavian systems rather well, even as certain national and ethnic groups demanded self-determination and independence.

This principle is the source of the solution for Iraq. We should suggest and encourage each of the three groups- the Sunnis, the Shiites, and the Kurds- to seek self-government and choose voluntarily whether they want to associate with a central government. Instead of the incessant chant about us forcing democracy on others, why not read our history and see how thirteen nations joined together to form a loose-knit republic with emphasis on local self-government. Part of the problem with our effort to re-order Iraq is that the best solution is something we have essentially rejected here in the United States. It would make a lot more sense to concentrate on rebuilding our Republic, emphasizing the principles of private property, free markets, trade, and personal liberty here at home rather than pursuing war abroad. If this were done, we would not be a militaristic state spending ourselves into bankruptcy, and government benefits to the untold thousands of corporations and special interest would be denied.

True defense is diminished when money and energy are consumed by activities outside the scope of specifically protecting our national security. Diverting resources away from defense and the protection of our borders while antagonizing so many around the world actually serves

to expose us to greater danger from more determined enemies. A policy of non-intervention and strategic independence is the course we should take if we're serious about peace and prosperity. Liberty works!