I. Congress

This was another busy week on Capitol Hill. Committees in both the House of Representatives and Senate held nearly 30 hearings on President Donald Trump’s proposed budget. The hearings come at a time when appropriators are preparing for funding discussions. However, legislative matters in the House came to a halt on June 14 after House Majority Whip Steve Scalise (R-Louisiana) and several others were shot during a practice session for the congressional baseball game.

**Department of State Budget.** Secretary Rex Tillerson appeared before four different committees this week to discuss the White House’s proposed budget for the State Department and the United States Agency for International Development (USAID). Secretary Tillerson embraced the FY 2018 budget request—which has enemies on both sides of the aisle. The budget as it stands would usher in steep cuts for numerous programs and would fold USAID into the State Department, in an effort to streamline the executive branch.

Tillerson was receptive of the reduced budget, saying it was necessary to operate more efficiently, reduce waste, and prioritize American security and economic interests. He acknowledged that in pursuit of security and prosperity, the White House had to make decisions to reduce—or totally cut—funding for other non-security related initiatives. Tillerson concluded that he does not believe that funding dedicated to a goal is the most important factor for reaching that goal, so he expected the State Department and USAID to operate effectively at a reduced budget. However confident Secretary Tillerson may be, it is very unlikely that members of Congress will agree to the unpopular cuts proposed by the White House. The State Department’s budget will undoubtedly get trimmed, but not to the degree set forth in the current request.

**Department of Defense Budget.** Like Secretary Tillerson, Secretary of Defense James Mattis and Chairman of the Joint Chiefs of Staff General Joseph F. Dunford, Jr. made multiple appearances on Capitol Hill to discuss the budget proposal laid out by the Trump Administration. The two had the unenviable task of defending a budget proposal that drew skeptics from across the ideological spectrum. Ultimately, the secretary and chairman concluded that the FY 2018 budget was configured to simply “fill in holes” and work toward getting the military to the desirable level of readiness after what they described as “years of neglect.”

Secretary Mattis opened up the carousel of committee hearings by throwing sharp jabs at members of Congress for demonstrating “lassitude, not leadership.” He argued that with the current budget caps on defense spending in place and Congress’s inability to pass
annual budgets on time, the military will not even be in a position of sustained readiness, let alone reach the buildup President Trump promised. General Dunford, Jr. sided with Secretary Mattis in urging Congress to support the FY 2018 budget request now and eye responsible investments and predictable budgets in the future.

Although some members of Congress are wary of busting the existing budget caps, a number of critics are vocal for the opposite reason—that this budget does not go far enough. As a result, Congress will likely approve a budget containing billions of dollars more than is currently requested.

II. Hearings

House of Representatives

Challenges and Opportunities for the US-Saudi Relationship. On June 13, the House Foreign Affairs Subcommittee on the Middle East and North Africa (MENA) held a hearing to assess US foreign policy toward the Kingdom of Saudi Arabia. The subcommittee called upon the following experts to testify: former Ambassador to Saudi Arabia Joseph W. Westphal; former Principal Deputy Assistant Secretary for the Bureau of Near Eastern Affairs Gerald M. Feierstein; Karen Elliott House, senior fellow at Harvard’s Belfer Center; and former Assistant Secretary of State for Democracy, Human Rights, and Labor Tom Malinowski.

The witnesses were in agreement that the Saudis are a crucial ally in the region and that, over the last decade, they have expended serious effort to clean up their image abroad and crack down on financial and material support for terrorism. But, the witnesses also stressed that the US and Saudi agendas are not perfectly aligned and the United States must be prepared to stand for its values when priorities diverge.

The panelists spent most of the time answering questions about Saudi Arabia’s strategic importance for the United States. However, considerable time was also used to compare Saudi Arabia to Qatar and criticize the latter for its lack of efforts in combatting terrorism financing. A majority of the witnesses agreed that Saudi Arabia and its allies were right to punish Qatar and that the United States should stand beside the bloc. Malinowski, on the other hand, gave a sober assessment of the ongoing Gulf crisis. He said that it would be a mistake for the United States to believe that the current split is solely about terror financing and urged US officials not to pledge “unconditional support” for Saudi Arabia against Qatar.
**Foreign Military Sales: Process and Policy.** On June 15, the House Foreign Affairs Subcommittee on Terrorism, Nonproliferation, and Trade convened to hear testimony regarding foreign military sales (FMSs) and options for improving the sales process. Tina Kaidanow, the Acting Assistant Secretary for the Bureau of Political-Military Affairs at the State Department, and Vice Admiral Joseph Rixey, Director of the Defense Security Cooperation Agency, testified before the committee.

The witnesses spent time outlining and answering questions on the very meticulous and technical nature of the FMS process. Ultimately, the two concluded that the process, as is, works very well and that little could—or should—be done to change it. Aside from the technical discussion, the witnesses also talked at length about specific FMSs to multiple key allies in the Middle East.

First, Vice Admiral Rixey explained that in recent years the Department of Defense and State Department changed their policies for weapons sales to Egypt. It was long-standing tradition that Egypt could procure weapons from the United States through “cash flow financing,” which allowed it to obtain and use weapons as the country paid for those weapons. However, now Egypt must pay the cost of the weapons prior to receiving the products.

Former Ambassador Kaidanow spent time describing the decision-making process for two recent FMSs. First, committee members wanted to understand why, after previously declining a weapons sale to the Saudis, the Departments of Defense and State agreed to finalize a multibillion-dollar deal—the same deal senators nearly scuttled (detailed below). Ambassador Kaidanow explained that throughout the decision-making process, her office weighs the strategic value of such a deal against the relevant foreign policy concerns, like adherence to international human rights and/or observance of laws regulating warfare. While the Saudi-led campaign in Yemen is of concern, Kaidanow argued that the United States has significant interest in helping Saudi Arabia expand its capabilities to protect its borders. Additionally, she explained that the Saudis have become more aware of the troubles with their strategy in Yemen and have demonstrated convincing and credible commitment to accepting US assistance in shoring up their military skills and capabilities (as indicated by their recent $750 million investment in such training).

Last, Ambassador Kaidanow explained that a similar calculation was made when considering the multibillion-dollar jet sale to Doha. Despite concerns about Qatar’s role in financing terrorism, her office and that of the vice admiral believed the sale to be of significant interest to the United States.
Russia’s Strategic Objectives in the Middle East and North Africa. The House Foreign Affairs Subcommittee on MENA met again on June 15. This time, members of Congress questioned witnesses on Russia’s strategic goals—as well as Russian President Vladimir Putin’s personal ambitions—in Syria, Libya, and elsewhere in the region. The following experts were asked to testify for the hearing: Vladimir Kara-Murza, Vice Chairman of Open Russia; Anna Borshevskaya, Fellow at the Washington Institute for Near East Policy; and Brian Katulis, Senior Fellow at the Center for American Progress.

The witnesses and committee members outlined numerous instances of Vladimir Putin acting to destabilize the security of states in MENA. As Katulis stated, the Putin regime has led to greater fragmentation among states in the region, heightened the threat of terrorism, and hastened the trend toward autocratic rule. Whether it is providing military technology to Iran, fighting on behalf of the Asad regime in Syria, or supporting independent general Khalifa Haftar in Libya, the witnesses argued that Russia is trying to undermine US influence in the region and secure its presence in strategic areas there.

In order to counteract Russian adventurism, the witnesses suggested that the United States refrain from participating in bilateral counterterrorism efforts with Russia because this is not in the regime’s interest. In addition, the panelists recommended that the United States increase engagement in the region in a positive manner and avoid “unilateral disarmament” (e.g., removing sanctions on Russia) and overreliance on the military.

Senate

Testimony by Attorney General Jeff Sessions. After last week’s dramatic hearing featuring former FBI Director James Comey, the Senate Select Committee on Intelligence requested that Attorney General Jeff Sessions testify before the committee. While much was anticipated about the attorney general’s testimony, it was not as dramatic as the former FBI director’s the week prior. At times the questioning was heated and at others, Sessions refused to answer with specific details. Ultimately, little was uncovered in the hearing and many questions remained unanswered. Congressional committees and Special Prosecutor Robert Mueller continue to investigate events surrounding the 2016 elections. Currently, President Trump is personally under investigation for obstruction of justice.

Ideology and Terror: Understanding the Tools, Tactics, and Techniques of Violent Extremism. On June 14, the Senate Committee on Homeland Security and Governmental Affairs gathered to hear testimony on the problem of violent extremism. Appearing before the committee was Ayaan Hirsi Ali, research fellow at the Hoover Institution; Asra Nomani, co-founder of the Muslim Reform Movement; Dr. John Lenczowski, president
of the Institute of World Politics; and the Honorable Michael E. Leiter, former director of the National Counterterrorism Center.

The witnesses agreed that radicalization and violent “Islamic extremism” are significant problems limited to a minority of the global Muslim population. Ali and Nomani—outspoken critics of political Islam—spent considerable time conflating Islamism with violent extremism and further arguing that political Islam should be the United States’ focus, not just radicalization and violent extremism. It appears as though cooler heads prevailed, and the committee aimed their questions at Director Leiter. He focused on the titular topic of the hearing and argued that combatting this phenomenon requires efforts to win the ideological battle employing the same technology that is used to recruit and radicalize individuals.

USAID Administrator Confirmation. On June 15, the Senate Foreign Relations Committee (SFRC) called on the Honorable Mark Andrew Green to testify before the committee. Green was nominated to serve as administrator of USAID, which has an uncertain future under the White House’s budget proposal. Green proposed to pursue three goals, should he be confirmed: ensure that USAID operates efficiently and reduces wasteful spending; push regional and international partners to invest in providing the support that USAID currently provides to citizens around the globe; and reform and restructure the agency to better utilize funding sources and emerging technologies. Green has garnered tremendous support—including from Speaker of the House Paul Ryan (R-Wisconsin), who testified on his behalf—and he is expected to be confirmed as administrator.

III. Legislation

Only a few relevant bills were introduced between the two chambers and they are detailed below.

To Authorize Assistance for Anti-Tunnel Defense Capabilities for Israel. On June 15, Representative Bradley Schneider (D-Illinois) introduced H.R. 2914, providing funds to Israel to defend against tunnels dug by the Gaza Strip’s Hamas. The legislation appears to address the recent tunnels discovered beneath two schools, as well as the numerous tunnels Israel has destroyed in the past. There are no prospects on this bill at this point.

Countering Iran’s Destabilizing Activities Act of 2017. On June 15, after much consideration and deal making, the Senate overwhelmingly passed S. 722, as amended, by a “yea-nay” vote of 98-2. The big development in this legislation was the adoption of
broad sanctions placed on Russia for its involvement in the US elections in 2016. Sanctions will target Russian businesses (primarily the energy sector) and individuals, as well as place limits on the president’s ability to lift sanctions on Russia.

While the measure passed the Senate easily, there are already murmurs that it will have a much more difficult path in the House. In addition, the Russia sanctions have drawn voices of concern not only from the Trump Administration, but from key European allies as well. However, SFRC Chairman Bob Corker (R-Tennessee) said he spoke with President Trump about the bill and he is confident it will become law.

S. J. Res. 42. On June 14, the procedural measure exploited by Senator Rand Paul (R-Kentucky) to force a vote on parts of the US arms deal with Saudi Arabia was concluded with a vote. As detailed in the previous Congressional Update, Senate Majority Leader Mitch McConnell (R-Kentucky) delayed the vote for fear that the measure would pass. However, despite considerable support for blocking the deal, the measure was narrowly rejected—by a count of 47 “yeas” to 53 “nays”—and the arms sale will move forward as is.

IV. Around the District

Tensions in the Gulf: Implications for US Policy. On June 12, the Wilson Center held a public conference call to discuss the ongoing row between Gulf Corporation Council (GCC) allies. The panel for this discussion included David Ottaway, formerly of the Washington Post, Bruce Riedel of the Brookings Institution, and the Honorable Marcelle Wahba, former ambassador to the United Arab Emirates (UAE).

The two main questions the experts set out to answer were, “Why did this fallout occur?” and “Why now?” The panelists tended to agree that Qatar, at least since the mid-to-late 1990s, has been an irritant to Saudi Arabia and, to varying degrees, the UAE. Qatar has drawn the ire of the two due to its regime’s desire to project power around the region and provide a forum for dissidents to speak out against leaders in the region—most notably through Al Jazeera. The three also agreed that Saudi Arabia is mostly the instigator of this action against Qatar, but that the UAE does play a significant role. As for the second question, the experts believed that the GCC has long been divided over strategic issues like Iran and counterterrorism, and that the Saudi-Emirati coalition has developed a “with us or against us” mantra. After Donald Trump’s speech in Riyadh, the speakers argued, the Saudis heard what they thought was Trump’s agreement with their mentality and felt as though they now have US support to challenge Qatar.
While they offered little in terms of predictions for the conclusion of this fight, the experts did share their concerns regarding the effects of the row on US policy. They agreed that this fight, should it carry on, is bad for the United States. Qatar is an important ally, just like the other two, so the United States would be caught in an uncomfortable position. Additionally, the breakdown of the GCC would usher the downfall of Trump’s desired “grand coalition” against Iran.

**Preserving and Building on the Iran Nuclear Deal.** On June 13, the Atlantic Council hosted a conference to discuss the Joint Comprehensive Plan of Action (JCPOA) and why the Trump Administration should continue to observe the landmark deal. This was a lengthy conference with numerous speakers; the video and description of the speakers can be found here.

Generally, the conference was focused on three topics: the effects of Hassan Rouhani’s reelection as president and the current regional environment on Iran’s domestic politics; nonproliferation aspects of the JCPOA; and a debate over whether sanctions on Iran should be increased or decreased.

**Future of the Islamic State in the West.** On June 14, the George Washington University’s Program on Extremism held a conference to discuss its recently launched report, *Fear Thy Neighbor: Radicalization and Jihadist Attacks in the West*, and further explore the threat of the Islamic State to Europe and North America. This, too, was a lengthy conference, and much of the time was spent discussing the threat of ISIL in Europe. Dutch counterterrorism expert Dick Schoof, along with other experts in attendance, agreed that proximity, issues with integration and lack of intelligence sharing between governments make members of the European Union—particularly in western Europe—more susceptible than the United States to attacks by the Islamic State. Seamus Hughes, an expert on the Islamic State’s presence and abilities in the United States, noted that the United States typically externalizes its fight against terrorists, so ISIL may not have the ability to reach its borders. However, he said that should not take away from US efforts to investigate potential “homegrown” extremists and combat the use of social media to recruit potential terrorists.

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