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Building Capacity to Protect U.S. National Security: The Fiscal Year 2010 International Affairs Budget

U.S. House Committee on Foreign Affairs
Rayburn House Office Building, Room 2172
May 13, 2009, 1:30 PM

Deputy Secretary of State for Management and Resources **Jacob Lew** appeared before the House Committee on Foreign Affairs to discuss President **Obama's** 2010 budget request for international affairs activities. In his opening remarks, Chairman **Howard Berman** (D-CA) praised the administration's proposed budget for increasing funding for civilian agencies to carry out reconstruction and development, noting these activities have tended to migrate to other departments such as Defense, which lack sufficient relevant expertise. He also approved of the administration's intention to double foreign assistance by 2015, which he said supports US security by promoting development, stability, democracy, and human rights overseas, reducing the number of future failed states. Ranking member **Ileana Ros-Lehtinen** (R-FL) said she supported many foreign assistance programs, but that the 25% increase in the international affairs budget from 2008 to 2010 (up 9% from 2009) was large given the economic crisis. She also criticized the administration's intention to pay full dues to the UN, pointing to such problems as the presence of human rights violators on the Human Rights Council. Rep. **Gerald Connolly** (D-VA) noted Secretary Gates' statements on the need for vigorous diplomacy to protect U.S. security. An important part of diplomacy is support development, he said, but USAID has been "hollowed out" in the last decade. Rep. **Dana Rohrabacher** (R-CA) denounced the practice of giving economic aid to "totalitarian governments" (such as China and Ethiopia), saying, "We are subsidizing tyranny."

Deputy Secretary Lew outlined the priorities of the roughly \$54 billion international affairs budget. The main principle of the budget he said was "smart power": combining the tools of diplomacy, development, and defense to promote U.S. security; our security depends on a stable, prosperous world. The budget request would allow the State Department to increase the ranks of its foreign service officers by 25% over the next few years. USAID, whose foreign service personnel have been reduced to just over a thousand, would receive a 45% increase in operations funding, and double the number of its foreign service officers by 2012. The budget would give \$2.8 billion in non-military aid to Afghanistan and \$1.3 billion to Pakistan. Lew said humanitarian aid was a way to boost the appeal of the U.S. among foreign publics, and along with development aid to governments and NGOs, a way to undercut the appeal of extremism. He said aid would be focused on countries that "are or must be partners" of the U.S. and "tipping point states" whose stability is essential. Lew noted that there are mere dozens of civilians working overseas for the State Department's Office of the Coordinator for Reconstruction and Stabilization (S/CRS) and that State intends to recruit thousands of civilian "reserves" outside the government that can be called on to help rebuild post-conflict nations.

Pressed by Ros-Lehtinen about development assistance for illiberal governments, Lew said economic development assistance is important for supporting the emergence of democracy. Rep. **Brad Miller** (D-NC) later said that he applauds the smart power emphasis of the administration, particularly the focus on alleviating extreme poverty, such work being an antidote to extremism. Lew said that development and foreign policy strategy need to be coordinated, and that's why the Secretary of State should have authority over development aid. Berman said the same logic should apply to military aid.

Rep. **Elito Engel** (D-NY) expressed doubts that the U.S. should provide aid to Gaza before Hamas met the Quartet's conditions and asked whether there would be safeguards on such aid to keep it out of Hamas' hands. He also suggested the U.S. should do more to make sure UN Relief and Rehabilitation Administration (UNRRA) funds aren't going to terrorists. Lew noted that "the lion's share" of U.S. aid for Palestinians will be going to the West Bank and that State carefully reviews Gaza aid to ensure it doesn't go to organizations with terrorist connections. He noted that UNRRA is the primary vehicle for providing aid to Palestinian refugees, but that the U.S. regularly scrutinizes its activities. Rep. **Robert Wexler** (D-FL) praised the State Department for the manner in which they are directing money to the Palestinian Authority while ensuring it does not fund Hamas. He also applauded the administration's efforts to train Palestinian security services, noting these soldiers are role models that other Palestinian youths want to emulate, and that the fact that they owe their careers to the US is very valuable. Berman echoed Wexler's comments.

Rep. **Ted Poe** (R-TX) asked what the State Department's greatest language needs are. Lew said that in the short-run, Dari and Pashto (for Afghanistan) are critical, but in the long-run, the biggest needs are for Chinese, Urdu, and Arabic. Poe also asked whether the State Department sees itself as having a role in promoting reform of other countries' laws, such as Saudi Arabia's laws on women. Lew said that the State Department does raise concerns about oppressive laws in other countries, including on women's rights.

Rep. **Brad Sherman** (D-CA) said the U.S. is losing potential pro-American advocates abroad because visa processing for immigrants is "capricious and unaccountable." Lew said this was an issue State is looking into. Sherman also said it is unacceptable that Iran remains eligible for IMF funds. Asked by Rep. **Dan Burton** (R-IN) about the "hold up" on legislation to impose new sanctions on Iran, Berman said that he wanted to place pressure on Iran on the nuclear issue, but first wanted to give the administration's diplomatic approach a chance.

Rep. **Sheila Jackson Lee** (D-TX) asked Lew about the administration's preparedness to assist Pakistani refugees from the fighting between the Pakistani government and the Taliban. Lew said State shared her concern and that there could be as many as a million refugees from the fighting, on top of half a million Pakistanis who were already refugees before the recent counterinsurgency operation began. While he believed the State Department has enough money allocated to the problem, he said capacity to deliver that aid was a greater challenge.