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"Securing U.S. Interests Abroad: The FY 2014 Foreign Affairs Budget"
U.S. House of Representatives Committee on Foreign Affairs
Wednesday, April 17, 2013, 9:30 am-1:00 pm
2172 House Rayburn Office Building, Washington, DC

On Wednesday, April 17, the U.S. House of Representatives Committee on Foreign Affairs held a hearing titled "Securing U.S. Interests Abroad: The FY 2014 Foreign Affairs Budget." Secretary of State **John Kerry** testified on the Department of State's budget request. Chairman **Ed Royce** (R-CA) presided over the hearing.

Chairman **Ed Royce** opened the hearing by saying that "wasteful spending is intolerable" and "we can't do everything." He also called it "inexcusable" that the State Department has been operating for over four years without an Inspector General. He cited Iran, North Korea, and Syria as the major threats facing the U.S. He also expressed frustration that the committee had not received full cooperation from the State Department in its efforts to investigate the attacks on the embassy in Benghazi.

Congressman Eliot Engel (D-NY), Ranking Member of the committee, also <u>called</u> Iran, North Korea, and Syria the most prominent threats facing the U.S. He expressed a desire to see higher funding for diplomats than what was contained in the budget request, saying, "We spend just over one percent of our national budget on diplomacy and development – which are key components of America's national security strategy. Diplomats and aid workers strengthen alliances and prevent wars, while telling America's story – and they do it on the cheap." He called Iran's pursuit of a nuclear weapon the foremost threat facing America today and urged the administration to increase pressure on Iran. He also expressed pleasure that the budget included funds for humanitarian aid to Syria but called for the administration to do more to support the people of Syria. He stated that Israel has expressed willingness to negotiate with the Palestinians without preconditions but the Palestinians have refused this offer.

In his opening statement, Secretary of State John Kerry asserted the need for investing in foreign policy, saying, "If we can make the small, smart investments up front, then I believe we avoid more costly conflicts and greater burdens down the road." He claimed that the United States is the "guardian of international security." Kerry claimed that this budget request's 6% reduction from FY 2012 is "responsive to and reflective of our national economic reality." He discussed the Middle East and North Africa Incentive Fund (MENA IF), which will "give reformers the tools and resources they need to make the right decisions on behalf of their citizens" and "allows us to say to people in the region: 'If you're willing to take on the deep-rooted challenges of democracy and throw off the yolk of dictatorship, we're here for you." He also noted the importance of engaging through trade and other economic opportunities. Kerry then discussed the State Department's development work, calling it "one of our strongest assets." He said, "Development is not charity. It's an investment. And I believe it's an investment and President Obama believes it's an investment in a strong world and a strong America." He also noted the budget's inclusion of funds to take care of personnel.

Congressman Royce again noted his frustration over the committee's lack of information on the Benghazi attacks and the absence of a permanent Inspector General at the State Department. Kerry stated that the department is still in the vetting process for an Inspector General. He also noted a number

of documents, videos, and testimonies related to Benghazi and stated that he would work with the committee if it felt it had not received adequate information.

Congressman Engel asked for Kerry's assessment of the peace process and about U.S. support for Israel's efforts at negotiation. He also asked when the administration will say, "Enough is enough," regarding Iran's nuclear program, and whether the U.S. will have any real influence in a post-Assad Syria if it does not provide the opposition with weapons. Kerry stated that the U.S. must be careful not to make things worse in Syria and must be forging a constructive path forward. He said he is committed to the peace process because he feels the window for a two-state solution will close within 12-18 months. He then stated that the State Department is in close communication with Israel regarding the timeline of Iran's enrichment and that the President has made it clear Iran will not get a nuclear weapon.

Congresswoman **Ileana Ros-Lehtinen** (R-FL) asked why the administration is using money to entice the Palestinian Authority (PA) to negotiations, what specific benchmarks will be used to ensure greater accountability and transparency in MENA IF, and who will be implementing these measures. He also stated that "there's no way any of that money is going to Hamas," asserting that there is no relationship between the PA and Hamas and that a reconciliation will occur anytime soon. He stated that not strengthening the PA would work against the U.S.'s own interests.

Congressman Chris Smith (R-NJ) asked Kerry about several human rights issues, including the abduction and forced marriage of Coptic Christian women and girls in Egypt. Congressman Albio Sires (D-NJ) also expressed concern about the treatment of Coptic Christians in Egypt and asked whether Kerry anticipated any cuts in aid to Israel this year. Kerry responded that he continues to raise these issues at the highest level and will continue to work on them. He said he was very concerned about safety and security in Egypt. He also said that in order for the Muslim Brotherhood to gain more partners, it must demonstrate that it is ready to protect rights and be more inclusive.

Congressman Dana Rohrabacher (R-CA) asked when the U.S. would cut off aid to Pakistan since the country continues to imprison the doctor who helped the U.S. find Osama Bin Laden. Kerry stated that "cutting off aid to Pakistan would not be a good move...at this time." He added, "It's not as simple as holding everything accountable to one thing."

Congressman **Gerald Connolly** (D-VA) expressed concern that USAID had become a primarily contracting and managerial agency. He asked whether we should be rebuilding AID to be the premier development agency. Kerry responded that AID is our premier development agency and stated that it does extraordinary work and has implemented a number of reforms.

Congressman **Joe Wilson** (R-SC) inquired about trade and Kerry emphasized that foreign policy is in many ways economic policy. He referenced a "modern day Marshall Plan" that would involve the private sector and noted a possible new model of international engagement that would leverage development and create jobs in order to create stability.

Congressman **Ted Deutch** (D-FL) asked that Kerry continue to urge the EU to designate Hezbollah a terrorist organization and press Abbas on negotiations if the window for a two-state solution is closing. Kerry asserted that he has urged the labeling of Hezbollah as a terrorist group in all his European meetings. Kerry also stated that the hurdle of mistrust is huge on both sides of the Israeli-Palestinian conflict, and that Abbas is not convinced that Israel will give the Palestinians a state, and the Israelis are not convinced that the Palestinians will provide them with the security they feel they need. Kerry said that progress will require finding a way to dispel mistrust.

Congressman William Keating (D-MA) asked for a comment on the State Department's efforts to advance gender equality and decrease **gender-based violence** around the world. He also asked whether standards related to this kind of **violence could serve as conditions on aid in the future**. Kerry stated a desire to expand on Secretary Clinton's efforts on the issue of gender-based violence but said that **he does not feel that conditionality is effective in all countries.**

Congressman **David Cicilline** (D-RI) inquired about the State Department's efforts to ensure that pledges to assist the Syrian people are being fulfilled, whether the U.S. is considering closing the Syrian Embassy in Washington, and what efforts are being made to protect Syrian women and girls from sexual violence in refugee camps. Kerry stated that the situation in Syria is reaching the level of a humanitarian crisis. He added that our best bet for preventing an implosion is to implement the Geneva Communique.

Congressman Adam Kinzinger (R-IL) expressed concern that the U.S. appears to be "leading from behind." He said he was concerned about the U.S. not leaving behind a force in Iraq and asked whether the U.S. was in a position to leave behind a strong Afghan military when it withdraws. Kerry responded that he did not believe America is leading from behind. He stated that Obama's decision not to put boots on the ground in Libya does not constitute leading from behind and that current meetings on Syria showed American leadership. He also said he was encouraged by the progress of the Afghan army.

Congressman **Bradley Schneider** (D-IL) asked if there is a way to bring Abbas to negotiations with Israel. Kerry said that Abbas may be convinced by a good faith effort if Israel follows through.

Congressman **Tom Cotton** (R-AR) asked Kerry for his position on arming the Syrian rebels. Kerry said U.S. policy is currently not to provide lethal aid but that we are coordinating with entities that are providing such assistance. He also said that the meeting in Istanbul this week will examine the situation on the ground and determine what accelerants to Assad's departure are most sensible.

Congresswoman **Lois Frankel** (D-FL) asked whether the State Department works closely with the United States Institute of Peace. He also inquired whether Kerry agrees with former Secretary Clinton's assertion that the State Department should rely on best value contracting rather than seeking the lowest possible bid. Kerry responded that the State Department does work with USIP and agreed to the statement on best value contracting, saying, "We've got to have the ability to make value judgments in the provision of security to our personnel."

Congressman Mark Meadows (R-NC) asked about rebalancing aid to Egypt to include greater economic and political aid in addition to existing military assistance. Kerry said, "One of the best investments we made in Egypt over the last thirty years is the Egyptian military and our relationship with it." He praised the restraint and leadership of the Egyptian military during the country's revolution and political transition, citing its actions as a factor in preventing deterioration into civil war. He also said, "I'd love to make a larger economic effort…but unless there's economic reform in Egypt, unless they can meet the IMF standards, unless they reach out to the opposition and bring them more into the governance, unless they create stability and a capacity to invite capital back from other countries with the sense of security they've created…giving more money would actually be not to good avail."

Congressman **Brian Higgins** (D-NY) asked about the Vienna Convention on Diplomatic Relations and the question of responsibility of a host community or a represented country for the security of diplomatic personnel. Kerry expressed caution regarding a change in the convention's fundamental principle, saying that in most countries the U.S. can rely on the host community for protection.

Congressmen Rohrabacher, **Michael McCaul** (R-TX), **Ted Poe** (R-TX), **Matt Salmon** (R-AZ), **Mo Brooks** (R-AL), and **Randy Weber** (R-TX) also asked questions related to Benghazi.

Congressman **Steve Chabot** (R-OH) questioned Kerry about several issues related to Asia, and Congresspersons Royce, Wilson, Poe, Cicilline, and **Tulsi Gabbard** (D-HI) asked about North Korea. Kerry stated that the U.S. does not want to go down the same path as previous policy. He also asserted that China is the country in the best position to engage with North Korea.

Congresspersons Ros-Lehtinen, Rohrabacher, and Weber asked about Camp Liberty in Iraq, and Weber also asked about Camp Ashraf. Ros-Lehtinen also mentioned the election issues in Venezuela. Kerry said the department will have serious questions if significant irregularities appear in the election process.

Congressman **Gregory Meeks** (D-NY) addressed Russia and Turkey, Congresswoman **Karen Bass** (D-CA) brought up U.S. involvement in Africa, and Congressman **Ami Bera** (D-CA) asked about the progress of negotiations on the bilateral security agreement in Afghanistan.

Congressman **Michael McCaul** (R-TX) asked about the inclusion of Saudi Arabia and exclusion of Yemen in the Global Entry Program and Congressmen **Alan Grayson** (D-FL) and **Brad Sherman** (D-CA) asked about the visa waiver program. Sherman also brought up Pakistan and asked about sanctions on companies connected to Iran's Revolutionary Guard and reducing Chinese purchase of Iranian oil.

Kerry agreed with Congressman **Doug Collins** (R-GA) that Congress must return to regularly passing appropriations bills, saying that failure to pass appropriations legislation diminishes the U.S.'s leverage.