

U.S. Senate Committee on Foreign Relations
Senator Richard G. Lugar
Hearing on Nomination of Wendy Sherman
September 7, 2011

I join the Chairman in welcoming Ms. Sherman. I appreciate her experience and her willingness to re-join public service at a very challenging moment for U.S. foreign policy.

Soon after taking office, Secretary of State Clinton initiated the first ever Quadrennial Diplomacy and Development Review (QDDR), modeled after a long-standing Pentagon strategic assessment process. What emerged last December, after 18 months, was largely a blue-print for improving coordination of America's existing foreign policy and foreign aid operations, and an agenda for future reforms.

But that exercise did not prioritize policy goals, nor did it take account of the rapidly changing domestic budget environment. For many months Congress and the President have been involved in deliberations on the budget that are focused on reducing massive Federal deficits in the short run and constructing a long term strategy for dealing with a national debt that is approaching \$15 trillion dollars. This government-wide budget focus will continue this fall, with the Joint Select Committee on Deficit Reduction holding its first meetings this week. If the super committee process does not produce a viable budget reduction plan, agencies and programs will face automatic sequestrations.

In this context, the State Department must be planning how to perform its important national security, economic, consular, and diplomatic missions in a declining resource environment. This planning should proceed far more rapidly than the QDDR, in part because at its heart, it is not just a management exercise, it is a policy imperative.

Even apart from budget dynamics, I remain concerned that our national security policy is being driven without sufficient planning or strategic design. The expansion of the Afghanistan mission and the intervention in Libya, in particular, have occurred with limited reference to strategic goals or vital interests. As I noted in our hearing series on Afghanistan several months ago, it is difficult to see how the current level of U.S. expenditures in that country can be squared with a rational allocation of national security resources.

Undoubtedly, global emergencies will occur that require an American response. The State Department has often been adept at moving existing funds around to address urgent contingencies. We also have seen recent efforts to trim civilian projects in Afghanistan or elongate their time frame to reduce the rate of spending.

But if resources for national security contingencies decline, as most observers expect, U.S. policy will require a much more defined set of priorities and the strategic discipline to stick to them. The State Department and the White House should be working with Congress to articulate a set of priorities to be funded that are based on vital national security interests.

Within the State Department, the impetus for such planning must come from the highest levels. I will be interested to hear the nominee's views of U.S. national security priorities, the State Department's response to intensifying budget limitations, and the prospects for improving strategic planning at the State Department and throughout our government.

I thank the Chair and look forward to our discussion.

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