

**Testimony for Deputy Secretary John D. Negroponte
Senate Foreign Relations Committee
July 31, 2008**

Chairman Biden, Ranking Member Lugar, Members of the Committee:
thank you for inviting me today to provide the Department of State's views of the roles of civil and military agencies in foreign assistance. I am pleased to appear alongside Under Secretary of Defense Edelman.

Since 2001, our two departments have been adapting and improving how we cooperate to meet the challenges facing our country in the twenty-first century. We now confront threats from international terrorism, trafficking in narcotics and persons, and global pandemics that thrive on the inability of failed and failing states to perform even basic sovereign responsibilities. This Administration has recognized that defeating those threats depends as much on strengthening states and societies as on destroying enemies. Accordingly, President Bush has designated the State Department as a national security agency and made diplomacy and development, as well as defense, pillars of our national security strategy.

This Administration has begun the long-term effort to equip the State Department and other civilian agencies with the resources and capabilities to fulfill their responsibilities for our national security. With Congress's support, we have

made good progress. Increases to our foreign assistance budgets, new authorities, and new interagency coordination mechanisms have enhanced the State Department's ability to advance U.S. foreign policy and national security priorities. At the same time, as Secretary Rice and Secretary Gates have both publicly argued, much remains to be done to give civilian agencies additional capabilities to meet their responsibilities. It is in the national interest that our military have strong and capable civilian partners, and that is why the Administration has requested additional funds for critical programs in the 2009 President's Budget to continue this positive trend, which I will discuss below.

To meet the global challenges that our country faces, this Administration has sought significant innovations and increases in funding for foreign assistance. Over the past seven years, we have more than doubled Official Development Assistance to support nations struggling to improve governance, expand opportunity, and fight disease. We are on track to double our annual assistance to sub-Saharan Africa to \$8.7 billion in disbursements by 2010, in accordance with our commitment at the Group of Eight's 2005 summit in Gleneagles. The State/USAID FY 2009 Foreign Assistance Request of \$22.7 billion, a 10 percent increase from the FY 2008 request, will continue this effort, enabling our government to continue advancing important and interconnected priorities,

including promoting long-term economic growth and development; reducing poverty; fighting disease; providing military assistance and training; promoting post-conflict reconstruction and recovery; delivering humanitarian response; and improving governance, transparency, and accountability.

More specifically, our core assistance programs aim to expand the community of well-governed states by helping recipient countries address short- and long-term political, economic, and security needs. To meet these challenges, our FY 2009 request for core assistance accounts is over \$12 billion, a 9 percent increase from the FY 2008 request. That request supports critical investments in areas such as health, basic education, agriculture, environment, democratic governance, economic growth, microenterprise, and water resource management. Indeed, as Congress appropriates funds from the recently passed five-year, \$48 billion reauthorization of the PEPFAR—the largest campaign ever against a single disease—our assistance levels will rise even higher. In addition to our core assistance, in FY 2009 we also requested \$2.2 billion for the poverty reduction efforts of the Millennium Challenge Corporation, an innovative organization this Administration has created to empower local partners and emphasize principles of good governance, economic freedom, and investments in health and education.

Military and security assistance, requested at \$7.3 billion in FY 2009 (14 percent increase from the FY 2008 request), advances U.S. interests by equipping and training coalition partners and allies for common security goals. These programs advance international support for voluntary, multi-national stabilization efforts, including support for non-UN missions and for U.S. conflict-resolution programs; and support bilateral and global programs to combat transnational crime, illicit narcotics threats, and terrorist networks.

The United States also remains committed to providing humanitarian relief, food aid, rehabilitation, and reconstruction in countries affected by natural and man-made disasters. We continue to provide resettlement opportunities for refugees and conflict victims around the globe as well as contributing to key humanitarian international and non-governmental organizations. The FY 2009 request includes \$2.4 billion for these needs.

While expanding all of these programs, this Administration has worked to keep our overall foreign assistance programming coherent and closely tied to our foreign policy objectives. Secretary Rice established the “dual-hatted” position of Director of US Foreign Assistance/Administrator of USAID to coordinate all U.S.

foreign assistance and ensure that it meets long-term development needs. So even as we spend more, we get more for every dollar.

Unfortunately, our support for struggling societies will not always take place in stable and peaceful conditions. Where the situation allows, civilian agencies will take the lead in assistance. Where conditions require, DOD will support civilian agencies or, under certain circumstances – such as in combat situations – may have the lead in administering assistance. Our efforts to stabilize and reconstruct Iraq and Afghanistan show the spectrum of situations in which we must operate, and the ways we must respond. In these hard circumstances, the State Department and U.S. Agency for International Development (USAID) have benefited greatly from the Defense Department’s cooperation and resources—as they have, I should add, historically. In the post-World War II era, in the Vietnam era, indeed in any conflict or post-conflict time, our civilian and military agencies have worked together to address unique needs and circumstances. DoD’s role in administering official development assistance (ODA) in Iraq and Afghanistan reflects exactly this pattern.

Our civilian-military partnership is strong, beneficial, and appropriate. It is also specific to limited situations. If one sets aside funding for Iraq and

Afghanistan, ODA provided through the DoD budget drops to 2.2 percent in 2005, which is below 1998 levels. It is also worth noting as Ambassador to Iraq, I oversaw the deployment of reconstruction funds for Iraq, as have my successors—even though these funds have come from a DoD appropriation.

In Iraq and Afghanistan, our armed forces, State and USAID collaborate closely on assistance and more. That partnership is repeated at all levels of our government, beginning with the close working relationship between Secretaries Rice and Gates. Deputy Secretary of Defense England and I meet on a bi-weekly basis to review the many issues our departments jointly manage. In the field, the daily cooperation between our ambassadors and military commanders is exemplified by the excellent partnership of General Petraeus and Ambassador Crocker in Iraq. That collaboration carries through at the working level to our country teams, including the leadership of our Provincial Reconstruction Teams in Iraq and Afghanistan. The Defense Department is well-represented in our embassies through the attaché program. We have made them a valuable participant in our strategic planning process. Conversely, over the last several years, DoD has similarly opened its processes to State and USAID to an unprecedented degree. State now participates in many of DoD's most important defense policy and strategy initiatives, including the Quadrennial Defense Review and the

development of AFRICOM and SOUTHCOM Theater Campaign Plans. At DoD's request, we have expanded our Political Advisors (POLAD) program from 15 to 31 personnel to make more State Department POLADs available to provide foreign policy expertise to military commanders in the field, and USAID is placing Senior Development Advisors in each of the combatant commands.

Closer State-DoD cooperation is serving not only our missions in Iraq and Afghanistan but also our broader efforts to address post-9/11 challenges. This Administration and Congress have recognized that we must direct resources to build partners' military capacity. We also recognized the need for increased civilian participation in its growing involvement in stabilization operations, and sought authority to fund "Section 1207." We are grateful that Congress supported the Administration's efforts to redress those shortfalls through the new authorities enacted in Sections 1206 and 1207 of the National Defense Authorization Act (NDAA).

Sections 1206 and 1207 are valuable tools that allow the Administration to fund military capacity-building and civilian reconstruction and stabilization assistance, respectively. Section 1206 authority has enabled us rapidly to develop partnership capacity to address emerging and urgent threats and opportunities in

places as far flung as the Caribbean basin, Lebanon, Yemen, Pakistan, Sri Lanka, Indonesia, and the Philippines. The flexibility and quick-reaction capability provided by Section 1206 authority is a useful complement to our FMF and IMET programs, which are focused on longer-term support.

Section 1207 authority also complements our traditional foreign assistance tools by enabling us to provide targeted reconstruction and stabilization assistance to bolster stability in weak states, failing states, and states facing unanticipated crises. In many cases, 1207 funds allow the State Department to respond to needs until more formal programs can be planned. Ultimately, these authorities have brought more resources to the table for State and USAID-led projects that have a specific stabilization focus. Section 1207 authority has already provided program funding for interagency programs developed under the leadership of the State Department's Office of the Coordinator for Reconstruction and Stabilization, and its continued use for future programs is completely supportive of the Secretary's goals for the newly launched Civilian Stabilization Initiative.

In FY 2006 and FY 2007, we programmed \$109.7 million in 1207 funds to eight projects covering fourteen countries, including projects to: remove unexploded ordnance in Lebanon and train elements of the Lebanese police;

remove violent gangs from a Haitian slum; and help the Colombian Government extend government services to communities newly liberated from the FARC. For FY2008, joint State, DoD and USAID committees have identified nine priority projects to receive a total of \$100M in 1207 funds. I am pleased to note that both the Senate and House versions of the FY 2009 NDAA extend this authority, as well as Section 1206.

These authorities have also created opportunities for whole-of-government approaches to national security. Such “dual-key” mechanisms, requiring approval from both the State and Defense Departments, ensure coordination among chiefs of mission and Combatant Commanders, policy officers abroad and here in Washington, and DoD officials. In both cases, Secretary Rice and Secretary Gates ultimately hold “dual key” authority, ensuring all efforts undertaken meet the Defense Department’s needs and accord with our foreign policy objectives, ensuring the Secretary of State’s primacy in foreign policy. The experience our departments gain through these mechanisms helps build and reinforce a broader culture of cooperation between our agencies.

In Africa, where the State Department and USAID are deeply involved in administering a range of major foreign assistance programs, the Defense

Department is working to ensure that its new regional command, AFRICOM, supports and complements our civilian-led initiatives. We are pleased that DoD is giving senior leadership positions within AFRICOM to State Department officials, positioning them well to advise the command on appropriate courses of action. AFRICOM is already working with State's Bureau of International Narcotics and Law Enforcement Affairs to coordinate counternarcotics strategies. We look forward to expanding State-DoD cooperation in this theater.

In the area of humanitarian assistance resulting from natural disasters, the State Department—specifically, the USAID Administrator in her capacity as Special Coordinator for International Disaster Assistance—has responsibility for coordinating all of our government's efforts. This is the case even when the military has the unique capability to respond. For example, in the aftermath of Pakistan's 2005 earthquake, U.S. military aircraft transported blankets, tents, and other emergency relief supplies to Pakistan, where military helicopters then distributed the relief to remote areas. State Department and USAID experts helped plan this operation to ensure that short-term assistance did not inadvertently undermine local capacities; did not duplicate other donors' efforts; did not risk causing conflict; supported long-term development work; and suited the cultural

context. Such collaboration enables us to integrate short-term assistance into larger, long-term programming.

While coordinated interagency efforts—both those State leads and those DOD leads—are vital, the State Department also appreciates the importance of each government agency’s contributing to our overall foreign policy goals in a manner consistent with its mandate and expertise. As you know, the Secretary of State is vested with responsibility for the conduct of foreign affairs, including the continuous supervision and direction of economic assistance, military assistance, and military education and training programs. This authority enables the Secretary of State to ensure that such programs are well-integrated and serve U.S. foreign policy. The State Department’s leadership, including Secretary Rice, myself, the Director of U.S. Foreign Assistance, and our ambassadors in the field take this mandate very seriously. Chief of Mission authority remains the central organizing principle for U.S. engagement overseas, across all regional combatant commands. As a five-time ambassador, I am a strong proponent of this authority and believe it is adequate to ensuring that the State Department retains lead responsibility for our foreign policy. We believe that “dual-key” authorities maintain and enhance the Secretary of State’s prerogatives by ensuring that she has ultimate direction of foreign assistance monies, regardless of their source.

The State Department continues to work with Congress to build its own capacity to respond to and prevent threats to our security. Together, we have made good progress over the past seven years. The State Operations and Foreign Assistance budgets have increased by 73 percent and 72 percent, respectively, from FY 2001 levels, and we have added 4,272 personnel to the Department, a 27.7 percent increase over FY 2001. This positive trend must continue. The Secretary of State's Advisory Committee on Transformational Diplomacy has recommended that "ultimately doubling the workforces of the Department and USAID would better position both organizations to meet future challenges." Additional personnel will allow State and USAID to increase our foreign language, diplomatic, and border security capabilities; augment our public diplomacy, cultural affairs capacity, and POLAD program; increase USAID's presence overseas and development contributions; and implement the Civilian Stabilization Initiative, including the Civilian Response Corps, to provide additional civilian expertise for rapid crisis response.

The President's FY 2009 budget request seeks an additional 1,100 new State Department Foreign Service officers and 300 USAID officers. It also seeks \$7.3 billion for military and security assistance, a sixteen percent increase over FY 2008

enacted levels (excluding emergency designated funds). This assistance is critical to achieving our peace and security objectives around the world and to creating secure environments in which our diplomatic and development work can succeed. Equally critical is our request for a 60 percent increase from the FY 2008 request in Development Assistance aimed at reducing poverty, promoting economic growth, and strengthening our commitments to Latin America and Africa. We know Congress recognizes the importance of these resources to our work, and we look forward to working together with you to strengthen these programs in the years ahead.

The mission to stabilize and reconstruct a nation is one that civilians must lead. But for too long, we have not had sufficient numbers of trained, prepared, and supported civilians who could provide that leadership. As a result, over the past 20 years, over the course of 17 significant stabilization and reconstruction missions in which the United States has been involved, too much of the effort has been borne by our men and women in uniform. The Civilian Stabilization Initiative (CSI) is the centerpiece of our effort to build civilian capacity for post-conflict stabilization and reconstruction missions. It will create a rapid civilian response capability that could be deployed alongside our military, with international partners, or on its own. Experience has shown that stabilization and

reconstruction missions occur in a range of circumstances—sometimes in hostile security environments, sometimes in permissive ones, and sometimes in environments somewhere in between. Our goal is to enable civilians with stabilization and reconstruction expertise to work side-by-side with the military even amidst ongoing violence, as in Iraq and Afghanistan.

CSI will marshal hundreds of civilian experts from across our federal government, and thousands of private citizens—doctors and lawyers, engineers and agricultural experts, police officers and public administrators—to ease the burden of post-conflict reconstruction borne by our fighting men and women, and ensure that civilians with the right skills, training, and equipment can deploy quickly to strengthen weak states and prevent their collapse. The President’s FY 2009 budget request includes \$248.6 million to support this capability. The support of Congress, and this committee in particular, have been critical to our success thus far in launching CSI. We hope Congress will enact the additional authorizations strengthening this initiative and fully fund the President’s request for this initiative. CSI will enable the State Department to assume a greater operational role in reconstruction efforts—a goal that DoD, State, and this Committee all share.

State, DoD, and all agencies of the national security complex will continue to examine how we must improve individually and collectively to meet the challenges of the post-Cold War, post-9/11 world. The innovations I have reviewed today represent a positive trend in interagency cooperation. As we work to increase civilian capacity to perform the diplomatic and development missions demanded by our national security strategy, we are grateful and better off for the Defense Department's contribution of expertise, personnel, and resources in support of our work. Our nation is safer and stronger when our lead national security agencies are united in purpose. DoD's contribution is not only meeting military requirements, but directly advancing the goal of our diplomacy: a world of democratic, well-governed states that respond to the needs of their people and act responsibly in the international system.

Mr. Chairman, Members of the Committee: this Administration has done ground-breaking work to make the State Department and USAID better partners to the brave men and women in our armed forces. But, of course, this effort is the work of a generation, and much remains to be done. We appreciate your leadership in this important area, especially your support for the President's Civilian Stabilization Initiative and your interest in ensuring the proper balance among our nation's diplomatic, development, and defense capabilities. In close

consultation with this committee, we will continue to refine our operations and to develop better tools and mechanisms to meet the requirements of our national security. I want to thank the Committee for the opportunity to share with you the ways in which the Departments of State and Defense are working together to secure our nation. I am happy to answer any questions you may have.