



PROJECT on Middle East Democracy

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Senate Committee on Foreign Relations
**“Foreign Policy Priorities in the President's
FY2011 International Affairs Budget”**

Dirksen Senate Office Building, Rm 419, February 24, 2010, 2:30 pm

The Senate Committee of Foreign Relations hosted **Secretary of State Hillary Clinton** to discuss the FY2011 International Affairs Budget for the Department of State. **Senator John Kerry** (D-MA), chairman of the Committee on Foreign Relations, [commenced](#) the hearing by thanking Secretary Clinton for her hard work and travels. Citing a range of issues from the need to fight HIV/AIDS to the importance of supporting diplomats in Afghanistan, Pakistan and Iraq, Kerry acknowledged that he **“can’t think of a time in our history when we’ve had a greater need for energetic diplomacy to make the case for America globally.”**

Explaining that **this year’s budget request of \$58.5 billion is 1.4% of the overall budget and one-sixteenth of the national security budget**, Kerry stressed that “our foreign policy is badly out of balance.” He thus asserted that this year “represents the beginning of our efforts to move funds that had migrated elsewhere back to the State Department budget,” such as Iraqi police training and the Pakistan Counterinsurgency Capability Fund. He concluded his opening remarks by expressing his “strong support” for “robust” funding for the international affairs budget.

Ranking Member Richard Lugar (R-IN) [framed](#) the discussions surrounding the budget in light of the “great domestic economic stress” plaguing the country and which therefore may “limit our foreign policy options.” Resources should be devoted to areas where U.S. efforts are primarily engaged, including Afghanistan, Iraq and Pakistan. Likewise, he sighted that “the most critical expenditures are those that prevent problems from spiraling into crises,” such as WMD proliferation, energy insecurity and food shortages. Lastly, he articulated “the importance of fixing our foreign assistance programs.”

Secretary Clinton opened [her remarks](#) by reiterating Sen. Lugar’s observation that this budget request comes at a “time of great economic strain for many Americans,” and that all funding must therefore be directed to those programs vital to U.S. national security and national interest. “For every dollar we spend,” she said, “we have to show results.”

This year’s budget represents a \$4.9 billion increase over the previous year’s. A total of \$3.6 billion will be used to support efforts in frontline states, Afghanistan, Pakistan and Iraq. Secretary Clinton admitted that “the agenda is ambitious... [because] the times demand it.” She highlighted three areas where the State Department is making significant new investments:

- 1) **Security of the front line states.** This includes \$5 billion devoted to tripling the number of diplomats and development experts on the ground in Afghanistan; \$3.2 billion to combat extremism and build democratic institutions in Pakistan; and \$2.6 billion to support the democratic process in Iraq.

- 2) **Investment in development.** This includes \$8.5 billion to treat diseases and build health systems; \$1.2 billion to combat global hunger; and \$4.2 billion for humanitarian assistance.
- 3) **Recruitment and training of civil servants.** This includes the expansion of the Foreign Service by over 600 positions, of which 410 will work at the State Department and 200 will work at USAID.

Secretary Clinton also stressed that it is critical to “focus on equality and opportunity for women and girls, because we know that is the key driver of economic and social progress.”

Having recently returned from a visit to Pakistan, Senator Kerry said that he was struck by the fragility of their economy. Noting that “what happens in Pakistan is as important, if not more important, than what happens in Afghanistan,” Kerry asked Secretary Clinton what the U.S. should do to help them and wondered whether the U.S. should set up a free trade agreement. Clinton suggested that the United States use trade instead of aid to promote economic growth. She also emphasized that with one of the lowest tax rates in the world and a non-existent public education system, the “Pakistanis have to do more as well.”

Kerry followed up by asking Secretary Clinton how she thinks our domestic fiscal crisis is impacting our global standing. Clinton responded saying that other countries “looks to us as the world’s oldest democracy” and expects the U.S. to solve problems and show results. “We must do a better job,” she said. “We must show that we’re capable.”

Senator Lugar asked how expenditures on Pakistan in the FY2011 budget will change from the 2010 budget, and how much of those funds will be directed to the government versus NGOs. Clinton explained that the State Department has spent money on energy projects in Pakistan, which have paid off for the Pakistani people. But she admitted that “its challenging” because although they want to deliver the funds to Pakistani institutions and NGOs, they must first pass a vetting process.

Senator Russ Feingold (D-WA) reiterated how important the enhancement of U.S. diplomatic capacity was to the nation’s overall security and expressed his concern about extremism and corruption in the Pakistani police force. Clinton said that the U.S. is making a concerted effort to confront these issues and make the military more accountable.

Senator Jim DeMint (R-SC) raised the issue of Iranian sanctions and also stated that **he is noticing a deterioration of human rights and religious tolerance in places like Egypt, India and Vietnam.** Secretary Clinton stressed that the issue of Iran was “the highest priority of the Obama administration,” and reemphasized American commitment to enforcing sanctions resolution through the United Nations, and perhaps thereafter in a bilateral and multilateral context. On issue of human rights, Clinton said that **the State Department is working with a number of Muslim majority countries to protect free expression without undermining the religious views of other people.**

Senator Barbara Boxer (D-CA) expressed her concern about the plight of women in Afghanistan, especially in light of President Hamid Karzai’s move to reintegrate elements of the Taliban into local and national politics through a process called reconciliation. Senator Boxer asked Secretary Clinton if she would work to ensure that Afghan women play a substantive role in the reconciliation process. Clinton responded that she would continue to make this concern known to President Karzai and would do everything in her power to see that Afghan women are involved.

Senator Boxer also asked that given the recent IAEA evidence linking Iran to nuclear weapon advancements and the increasing importance of preventing it from becoming a nuclear power, whether Saudi Arabia can supply oil to China thereby reducing the latter's reliance on Iran and enabling it to push for sanctions. Clinton reiterated the concern about how a nuclear Iran would destabilize the region by inducing an arms race.

Senator Ben Cardin (D-MD) informed Secretary Clinton that her human rights initiatives were well received around the world and encouraged her continued commitment to that area. He also expressed his concern about how government partners are draining away critical funds through endemic corruption. Secretary Clinton agreed saying that **“corruption is the cancer that eats away at societies,” especially resource-rich countries.** Clinton affirmed the State Department's support of anti-corruption activities worldwide.

Senator Cardin also raised the issue of providing assistance to refugees from Iraq settling in Jordan, Syria and the United States. Clinton agreed and asserted that these refugees deserve the necessary assistance.

In response to a statement by **Senator Ted Kaufman** (D-DE) addressing the increased size of the State Department budget request, Secretary Clinton explained that both she and Secretary of Defense Robert Gates believed that U.S. national security was too reliant on the military, who were involved in development, reconstruction and humanitarian projects. And before withdrawing from Iraq, the U.S. must adequately train the Iraqi civilian corp. To achieve success, she stated, we need the resources.

Senator Kaufman asked whether there was anything new on the public diplomacy front to which Secretary Clinton responded by explaining **the need to actively engage with media outlets that are not necessarily friendly to U.S. interests.**

Senator Lugar posed one of the last questions, inquiring in to the importance of cyber security. Clinton stated that the State Department was very serious about implementing a robust cyber security policy. She also emphasized their determination **“to open up the Internet to protect freedom of expression and virtual assembly in places like Iran.”**