

## Hearing Transcript

### House Foreign Affairs Committee Hearing on the Budget, Diplomacy and Development

March 28, 2017

ROYCE:

This hearing will come to order.

Two weeks ago, the administration presented its budget blueprint or as they call it the skinny budget as the press has called it. Which proposes significant reductions to the programs and operation of the State Department and the Agency for International Development, and the elimination of several independent agencies.

Being skinny, this budget raises more questions than answers. But here is what we do know, while it proposes an overall cut some 32 percent, the budget protects several programs that enjoys strong congressional support. Including for HIV/AIDS, for malaria, for vaccines, funding for embassy security and security assistance for Israel are maintained at current levels. These are good priorities.

But I am concerned about how cuts would impact other priorities, including efforts to combat terrorists, combat poachers, human traffickers. U.S. leadership was key to stopping Ebola in West Africa. And continued engagement is needed to address future threats before they hit our shores.

And many are rightly worried about how proposed cuts will impact humanitarian assistance at a time when more than 65 million people have been displaced around this globe by conflict and at a time, frankly, when famine looms in four countries.

When it comes to development, our top focus should be rule of law, it should be economic growth. Promoting reforms to create environments for growth as much of Asia did several decades ago is really crucial to development success.

No amount of aid can overcome corruption. No amount of aid can overcome status economic policies and weak property rights. But just as aid can't be entitlement for those overseas, it shouldn't be an entitlement here at home.

This includes food aid which for too long has been treated as an entitlement for some shippers rather than as a humanitarian program meant to save lives. And I am very proud of the bipartisan reforms that this committee has achieved to make food assistance more effective and more efficient and I look forward to doing more.

As the budget process advances and the committee establishes its priorities, we look forward to hearing from Secretary of State Tillerson. His management background will be a real asset as we focus on the Trump administration's attempts to reorganize the State Department.

One thing I'd like to see is national security agencies with the flexibility to shape their workforce to meet the challenges of today. Agencies should have the authority to add civilian personnel with needed skills and eliminate positions that are no longer needed.

Too many resources and personnel are focused on Washington, not in the field, and that is at every level. Everyone can agree that our assistance program should be improved. Yet the State Department has continually failed to develop a meaningful strategic planning process that would align aid in our national security objectives.

There have been numerable studies detailing aid-short comings and their countless recommendations. And these recommendations, I'm afraid to say, have mainly been ignored. Here, Congress deserves some blame, by writing foreign aid laws that burden the agencies with too many objectives and too many restrictions. We will do our part to improve this and I look forward to working with the administration because many of these programs are frankly very critical to our national security.

We shouldn't be cutting to the bone. And with that, I turn to our Ranking Member Mr. Eliot Engel of Bronx, New York.

ENGEL:

Thank you, Mr. Chairman, I have got to get you to the Bronx one of these days. Anyway, thank you, Mr. Chairman. To our witnesses, welcome to the Foreign Affairs Committee, we're grateful for your time and expertise.

I must say that I find my time deeply troubled by the direction American foreign policy is heading. Members of this committee on both sides of the aisle have worked hard to advance American diplomacy and development efforts. We may not always agree a 100 percent at a time, on the best way forward, but I like to think we all see the value in robust, bipartisan support for American international affairs.

So I'm sure other members would be shocked as I was when the White House released its fiscal year 2018 budget calling for a 31 percent cut to American diplomacy and development efforts. In my view, cutting the international affairs budget by even a fraction of that would be devastating. We haven't seen many details, but a cut that drastic would surely mean that too many efforts and initiatives that do so much good would end up on the chopping block.

And then last night, we learned that the administration is seeking \$2.8 billion in cuts to the international affairs budget, not down the road, but right now. I can just imagine an American diplomat sitting at the negotiating table who gets passed the note saying, "Sorry, our funding for this meeting just run out."

But here's the bottom-line, slashing diplomacy and development puts American lives at risk. If we no longer have diplomacy and developmental tools to meeting international challenges, what does that leave?

The answer is simple, the military. Don't get me wrong, I've always supported a strong national defense. But I also support using military force only as a measure of last resort. We should send American service members into harm's way unless we've exhausted every other option.

If we're not investing in diplomacy and development, we aren't even giving those other options a chance. We rely on diplomacy to resolve conflicts across negotiating tables and in multilateral gatherings and in quiet corners, so that we don't need to resolve them down the line on the battle field. Our diplomats work to strengthen all the alliances and build new bridges of friendship and share understanding.

Developments helps to lift countries and communities up today so they can become strong partners of us on the global stage tomorrow. A lot of us think we have a moral obligation to help cure disease, improve access to education and advance human rights.

But even if it weren't the right thing to do, it would be the smart thing to do. Because those efforts lead to greater stability, more responsive governments and stronger rule of law, populations that share our values and priorities.

Poverty and lack of opportunity on the other hand provide fertile ground for those who mean us harm. All these efforts by the way costs cents on the dollar compared to military engagement.

People think international affairs and foreign aid are a massive chunk of the federal budget. The chart behind me shows how it actually stacks up, 1.4 percent, less than 2 percent. And if we make that sliver of the pie even smaller, it will come back on us in spades.

The diseases we don't combat will reach our shores. The communities on which we turn our backs, maybe the next generation of people who mean us harm. And the conflicts we fail to diffuse, they will grow into the wars we need to fight later at a much higher cost in terms of American blood and treasure.

Just imagine having to tell the parents of a young American soldier that their son or daughter was killed in battle because we weren't willing to spend the tiny sums needed to prevent the conflict.

Fortunately, the Congress is a co-equal branch of government. We decide how much to invest in our international affairs, not the White House. Congress will devote resources to push back against the Kremlin's efforts to spread disinformation and destabilize our allies, just like they did to the United States during last year's election campaign.

I don't understand this willingness to play footsy with Vladimir Putin. I think that we know him for what he is. So I'm hopeful that as we forward with next year's spending bills, we continue to provide a diplomatic and development efforts to support a need. And the supports they have received under Republican and Democratic presidents alike.

However, there are things we cannot control when it comes to foreign policy that I want to briefly mention in closing. As far as I can tell, this administration is doing all it can to sideline the State Department. Aside from Secretary of State, the permanent representative to the U.N. and foreign ambassadorships, the president has not nominated a single State Department official.

State Department cannot make policy without leaders in place. It's also clear that our career diplomats expertise is being ignored. In two months, we've suffered embarrassing relationships with Mexico, Australia, the U.K., Germany and NATO.

We handed China, what's being viewed as a major diplomatic victory and sent confusing signals to our friends in the Asia Pacific when the Secretary of State used language that aligns with China's world view.

The Secretary of State, and I had a nice conversation with him on the phone, but he has not delivered a major policy address or held a press availability. And on his last trip he took a single journalist, a writer for a leading blog which is a major departure from the long standing practice of secretaries of state traveling with a press corps.

The secretary told her that he's not a big media press access person. He said this on a flight to China. And last night, we learnt that the State Department is stopping the daily press briefing. The world's window into American diplomacy and foreign policy is closing.

No speeches, no press conferences, no media briefings. Does that sound like the way the United States makes policy or leads on global issues? And then we couple it with this tremendous proposals of kickbacks.

Together, taking the draconian budget proposal, I feel what message are we sending to the world? The United States is the global standard bearer for freedom, justice and democracy. If we see our role as global leader, make no mistake, some of them will step into the void. It could very well be another power that doesn't share our values or our interests.

Think Russia, think cozying up to Putin, frankly, I don't understand it. So we can't allow that to happen. I'm committed to ensuring that it doesn't. And I'm interested to hear the views of our witnesses and colleagues on the committee.

Thank you again Mr. Chairman and I yield back.

ROYCE:

Thank you Mr. Engel. We're joined this morning by a distinguished panel. We have Dr. Stephen Krasner; senior fellow at the Hoover Institution at Stanford University and previously, Dr. Krasner served at the State Department where he focused on foreign assistance reform.

We have Miss Danielle Pletka; senior vice president for foreign and defense policy studies at the American Enterprise Institution. And previously, Danny was a senior professional staff member on the Senate Foreign Relations Committee where she specialized in the near East and South Asia.

And we have Ambassador Nick Burns; The Roy and Barbara Goodman Family Professor of Diplomacy and International Relations at the Harvard Kennedy School of Government. He served in the United States Foreign Service for 27 years. During which time he served as the undersecretary of state for political affairs and as an ambassador at multiple posts.

And so without objection, the witnesses' full prepared statements would be made part of the record and all of the members here will have five calendar days to submitting statements or any questions or any extraneous material that they wish to submit for you or into the record.

And Dr. Krasner, we would ask that you begin and ask our panels to please summarize your remarks for five minutes and then we'll go to questions back and forth from the members of the committee.

And one other thing Dr. Stephen, make sure all of you hit the red button right there. Thank you.

KRASNER:

The talk button, thank you. Chairman Royce, Ranking Member Engel and other distinguished members of this committee, thank you for the opportunity to testify before you this morning.

American National Security requires that we use all three critical tools in our arsenal; defense, development and diplomacy. Losing any one of these instruments of national power would threaten the security of the United States and the global order from which we have benefited.

Poorly governed, failing or weak maligned states pose three threats to the United States and our core allies. First, failed and badly governed states provide safe haven for radicalized salafist Islamic groups such as ISIS and Al-Qaeda. Places where they can train adherents, propagate their message and refine their ideology.

Second, and the chairman has already alluded to this. Naturally occurring pandemic diseases could kill hundreds of thousands of millions of people. The most well-known of these diseases, HIV/AIDS and Ebola, have been difficult to transmit. A disease however that was transmissible through the air instead via bodily fluids could kill hundreds of thousands of millions of Americans. Stopping these diseases when they first break out is our best line of defense.

Third, massive migration threatens liberal and humanitarian values. There are no good policy options to address such movements once they begin. Accepting unlimited number of individuals is untenable. Sending refugees back to unsafe countries could bring humanitarian crisis. Our best policy option is to prevent such flows in the first place.

We ignored badly-governed failed and maligned states at a peril. At the same time, it is very difficult to put countries securely on the path of democracy and a market-oriented economy. There's no natural progression from poverty to prosperity, from autocratic rule to democratic rule.

Although foreign assistance has been a wildly accepted practice for 70 years, its record of accomplishment is thin. We need to rethink the objectives of foreign assistance, to distinguish foreign assistance from humanitarian programs which saved lives even if they do not change political orders. We need to identify programs that are consistent with our interest and with the interest of political elites and target states.

The fundamental objective of our foreign assistance program should be what I've called SHE, security, health and economic growth. These three goals are consistent with our interests and with the interest of elites and target countries, even autocratic elites. All leaders want effective security.

Leaders will welcome programs and improve health such as PERFAR. Better health is a big success story in the post war, period. Life expectancies have gone up 20 or 30 years, even in the poorest countries.

All leaders will accept some economic growth, if that growth does not threaten their own position. The most effective way to encourage economic growth is to provide incentives for leaders in poorly governed states. One example of such a program is the millennium challenge account which I worked on when I was at the NSE. And which has not been replicated in any other country.

In addition to security, health and economic growth, there are two other objectives that American foreign assistance broadly understood can address. First, we can limit the impact of humanitarian crisis. USAID has expertise in addressing such crisis.

Second, we may be able in some special circumstances stop conflicts before they spread. I've been a member of the board of directors of the United States Institute of Peace since 2008. The institute works in very dangerous places in the world such as Afghanistan and Iraq.

It has helped to mitigate conflicts in places like Tikrit. The entire budget of USIP is \$35 million a year about the cost of maintaining one platoon in Afghanistan for a year.

Our foreign assistance should aim then at these three modest objectives. Better security, improved health, some economic growth and should address humanitarian crisis and attempt to mitigate conflicts. Diplomacy and development are compliments to defense, not rivals.

Effective American leadership requires three Ds: defense, diplomacy, development. blocking development and diplomacy will make us weaker, not stronger. The United States needs all three instruments of national power, not just one.

Thank you for allowing me to share these views.

ROYCE:

Thank you. Dannie?

PLETKA:

Good morning Mr. Chairman, Ranking Member Engel, members of the committee, thank you for inviting me. Anything you disagree with, please blame on a DayQuil that I pounded before I came sit down at the -- at the dais.

We're here to talk about the 2018 budget, and frankly, I think a lot of us agree on some of the base issues. We're talking about a 28.7 percent reduction in the 150 Account, plus minus.

What worries me most about this budget presentation is that the spirit that seems to animate it was more, a list of budget cuts, rather than what is really needed, which is a new vision for our foreign policy.

The Trump administration suggested to the American people that the reason that they were making these cuts was because we want to plus-out in the fight against ISIS. Which is certainly a worthy goal.

But the Defense Department budget is actually not the 10 percent, it was portrayed to be, it is in fact a 3 percent increase over the 27 requested number from the Obama administration.

So, we're not going to be beating ISIS with that extra 3 percent, I hate to say it. In addition, while the optics of the cut to the State Department and USAID and all the related agencies, may on the surface appear to prioritize this ISIS-Al-Qaeda fight over the soft power activities of the State Department and AID. There's really nothing to suggest that the fight against Islamist extremism is a job for DOD alone. Both of you said this, I think the three of us agree about.

In a statement last week actually, at the Global Coalition to Counter ISIS Conference in Washington. Secretary of State Tillerson said, and I'm quoting here, "We must ensure our respective nation's precious and limited resources are devoted to preventing the resurgence of ISIS and equipping war-torn communities to take the lead in rebuilding their institutions and returning to stability." That sounds right.

But the military alone cannot -- to paraphrase the secretary, rebuild institutions and return nations to stability. That's really a job for state and USAID and others.

What we've learnt as Dr. Krasner said in the post 9/11 era, is that stable government is really the sine qua non of stopping these groups from moving in and beginning to threaten the local populations and us.

OK, there's the case again it. On the other hand, I have to say, I'm a little thrown off by the complete hysteria that has attended the announcement of the president's proposed budget cuts. First of all, OCO numbers, overseas contingency operations numbers have plus-up the State Department budget to the point where it's actually above where it was.

Now, I understand that OCO is not a good way to do business. Nonetheless, we do need to understand that there's extra money there.

In addition, and I have to agree with -- disagree with Dr. Krasner here, as somebody at a non-government funded think-tank in Washington, I have an objection to using my tax dollars and American people's tax dollars to pay or think-tanks all over Washington. There are places where we can cut the budget.

The right reaction here is somewhere between complacency and hysteria. First, the American people may indeed be wrong to think that, that quantity of our GDP are being shipped off to ungrateful foreigners, but they're not wrong in assuming that some of it is wasted.

The State Department's Inspector General testified earlier this month before House Appropriations and said that she identified top five challenges for USAID and I'll just paraphrase some of it. But they were weak project design, monitoring, lack of internal controls, lack of local capacity and qualified personnel to execute project's complexity; and coordinating and implementing foreign assistance, and leaving vulnerable projects to fraud, waste and abuse.

Now, that's not what any of us want to hear about how AID is operating. So, to expand on that theme, it's totally appropriate for the American people to ask what has happened with the \$20 billion we've spent in Pakistan over the last 15 years. Or the \$100 billion that we've spent in Egypt, has in fact served our interest and our values. Much of the irritation has focused on AID, but state has its own issues, really hasn't evolved as I think you said.

As an organizational structure since 1945, it has dozens and dozens of special envoys who are walk-around where they need to be genuine reforms. So the right question to ask here for authorizers and appropriators is not how to restore every single penny back for the 150 Account. It's rather where judicious cuts and reforms can be made and will enable effective programs to continue. Because what all of us know is what the American people will support is effective programs.

As you consider the questions set aside input-oriented programs, don't ask what they put in, ask what we get out. Ask who is doing the contracting? How many people are being hired? How many people are working?

One last -- probably I'm going to go 30 seconds or 20 seconds over my time, if you don't get cross with me about it. Isn't it time that Congress ask itself why the State Department's office of inspector general has an appropriations of \$66 million last year and employs more than 200 people are main state. It is increasingly a major component of all of our aid programs.

If there's that much waste and fraud and abuse built into our assistance programs, shouldn't we be looking at the system itself rather than hiring more auditors and inspectors.

Last, the foreign policy machinery has been operating under the Foreign Assistance Act of 1961 for all too long, I know because I was born after 1961, I'm happy to say. Isn't it time to start to

consider whether we need a new authorizing mechanisms, something new and something fresh. I know you've amended it tens of thousands of times, but it's time to look at the underlying statute.

Last, a world led by the United States of America really is a better world. And foreign assistance is a wise investment, but even the best of investments need close supervision, rethinking, reform and aggressive oversight.

Thank you and especially for the extra time.

ROYCE:

Thank you Ms. Pletka. Ambassador Burns?

BURNS:

Thank you Mr. Chairman, Mr. Engel, members of the committee, thank you for the opportunity to testify. I just have a couple of points, Mr. Chairman to summarize my written testimony.

And you correctly noted, I was a career member of the foreign service. I worked in Republican and Democratic administrations in the White House and State Department. And based on that, first, I think that the Trump administration's proposed budget cuts that do total 31 percent for state and AID will put American national security at risk.

It will cripple the work of our career diplomats and our aid professionals, because these are enormous reductions by historical standards. I don't think they can be implemented over the next year. I know that there's some thought that perhaps they could be implemented over the next three or four years, I think that will do great damage to the effectiveness of the men and women of the State Department and USAID.

There's been a suggestion that perhaps we're entering a historical period of no foreign conflicts, and therefore the State Department can wind down its work. In my testimony, I detail the most complex foreign policy agenda that any American president has faced. That's what President Trump faces now, we are certainly not going to see an end to conflict in Asia or the Middle East.

Second, the budget takes direct aim at essential programs. A 30 percent cut in counter narcotics, that's a direct interest to protect the American people against the drug trade, that program.

You mentioned Mr. Chairman, the fact that there are four famines underway in the world today, we need to be in the front lines of USAID to fight them. You mentioned very correctly Ebola and our necessity of preventing and dealing with pandemics in the world as we have.

There's a massive reduction in funding for the very U.N. agencies, the food program, the public health programs, the development programs that actually do work that the United States then does not have to do. And zeroing out institutions like the U.S. Institute for Peace, I think it's extremely ill-advised.

Third point, Mr. Chairman, the budget breaks the vital length that every Republican president and Democratic president have always seen to be essential. And both of my colleagues have mentioned it, that defense and diplomacy and development has to co-exist together. That was certainly one of the takeaways of my professional career that we in the State Department can often not be successful unless we're linked up in terms of budget and mission with the Defense Department, with the U.S. military.

And in that sense, you all received a letter from 120 generals and admirals saying, they appreciate the link with the State Department and USAID. This budget ignores that link. It rewards one part of the triangle and it deprives the other two.

But look right now where our diplomats are leading. Our diplomats are leading on the North Korean nuclear issue right now. Our diplomats are leading on the efforts to convince Iran to comply with the nuclear deal. And I hope sanction Iran further over ballistic missiles.

Our diplomats are leading in the containment of Putin in eastern Europe and strengthening NATO. So that is important set of values and set of responsibilities for the State Department to undertake.

Finally, Mr. Chairman, these proposed budget cuts are a slap in the face to our foreign service professionals. I have never seen morale so low when I first started in the U.S. government as an intern in the Carter administration in the summer of 1980.

I think we have a good leader at the State Department in Secretary Tillerson. He has succeeded in his business career -- I think you're right, Mr. Chairman, there should be a review of the State Department and AID. There should be a new look at some of the programs.

I've documented in my own testimony four or five ways that I think we can have cost-savings. But morale is important. And if the message from the president is that somehow the administrative state needs to be deconstructed, so that we find ourselves for the first time since well before the second World War without a deputy secretary of state, with one undersecretary of state, with no assistant secretaries of state, and we're nearly in April.

No secretary of state can be successful unless he or she is given the people both political appointees and career officers to succeed. This is an extraordinary situation. And it shows a lack of faith and diplomacy by this administration.

So I would hope that the Congress would restore the balance between the State Department, USAID and the military. I've been very encouraged Mr. Chairman by your statements, by the Ranking Member statements and other members of both parties who say that we can certainly do better than this.

Thank you very much.

ROYCE:

Thank you Mr. Burns. One of the questions I'd like to raise here and maybe Ms. Pletka, you'd like to respond to it. But over the years, I think we've learned that -- we've learnt something about the aid that we have transferred to other governments. And I am thinking specifically about Mobutu and visiting the Congo and seeing at that time as he was on his way out, what wasn't done with that aid?

And maybe contrasting that also, we talked about Egypt a little bit. I know from my observations that it looks like in North Africa, one of the big problems there is an issue of governance across North Africa. If you look at the self-immolations that occurred across North Africa and the interviews to family members or survivors afterwards, it seemed as though what sparked it in every case was the fact that those doing business couldn't get a license any longer to even take care of their families.

If you're in that kind of environment and you're trying to start a business, and you can't do so without going through months and months worth of shall we say fees to some 22 different government agencies to start your bakery or, you know, I can think of one student I talked to who finished pharmacy school. wenty two separate fees to go into business as a pharmacist. You don't have that opportunity really to provide for your family.

And as a proven economist Hernando de Soto, made the observation. There is something about how we got the fundamental property rights correct in western Europe and the United States to provide the foundation for economic success.

So we could transfer billions into Congo and not change that environment unless we figure out a way to change the fundamental structure. I guess, one of my frustrations is across North Africa, de Soto did a lot of work in order to try to look at that informal sector in Cairo, 90 percent private. Or 90 percent, shall we say informal, in other words people didn't have property rights. And try to determine how to convert it over so that people could actually own their property, borrow against it, build, open a bakery if that's what they wanted to do.

But instead, we're in a system in much of the world where without the approval of the government, you cannot go forward and start an enterprise, you cannot create -- you can't unleash that human capital. I wonder if part of the problem here is that we're not focused enough on getting to what actually creates economic growth in these societies. And bringing in the expertise on the ground.

I'm not talking about it in Washington, but putting that expertise on the ground and using that leverage so that the next Mobutu isn't encourage simply encourage to move that to a foreign bank account, but instead is encouraged to change the fundamental law. So that you got economic growth and opportunity for the children in each of these societies going forward.

But I'd like your view on that.

PLETKA:

Thank you very much, sir. I couldn't -- I mean, I couldn't agree more. I spent 10 years working for Senator Jesse Helms who was the chairman of the Foreign Relations Committee. And he used to

talk about the fact that we needed America desk at the State Department, something that offended our friends in the foreign service.

But what it really meant was we need as spokesman for an aggressive foreign policy that shows American leadership. We need to be able to explain to the American people how this has value for them. And I think that's what's been missing for so long.

So what you're talking about here is fundamentally a lack of vision. It comes down to that. It comes down to programs that start to feel like an entitlement.

For whatever reason, if it's Egypt and Camp David or countries in Africa, we're not talking about humanitarian assistance here. Because there's not a lot of argument about that, although there are questions about efficiency. The argument about, is about institution building and how much we've succeeded at that.

ROYCE:

Yes, well, to me the frustration and maybe I can go to one of the other members of our panel here. But even when de Soto worked out how to transfer over ownership to the people who lived on that property in Cairo and how to register that for title transfer, et cetera, it was resisted. Even when he put together a plan on how everybody could be given the right, you know, to open a garage in your -- you know, to fix automobiles on your own.

Nobody can do it without the approval of the state and it takes years to get the approval of the state. And all of these fees or you can call it corruption or whatever you want to call it, all across North Africa, the same problem. Middle East, the same problem.

How do we -- how do we fundamentally get engaged in changing -- Dr. Krasner, in changing that dynamic?

KRASNER:

(OFF-MIKE) Your analysis is correct. I mean, one thing I would say is that we should recognize that the kind of liberal open access orders that we live in have been rare in human history.

I mean, if you look at human history -- and only a few places in the world, North America, Western Europe, East Asia. Have you actually had political systems where political leaders acted for the benefit of their own population? So it's not easy to do this.

What I think we need to do is to -- and this is why I think we need the State Department, we need people on the ground. We need to be able in places that are not functioning very well, we need to be able to identify islands of excellence. People for whatever reasons, maybe it's their own personal views or their religious views or their political incentives actually want to do the right thing.

It's no accident that de Soto failed in Egypt. He failed because the government wanted him to fail. The government wanted him to fail because they needed all these fees to keep themselves in power.

So we have to be able to identify and find islands of excellence in these places and build on them. This is something that I think the MCA has done very well. Days to start a business is one of the indicators that the MCA is used.

And it actually works, because days to start a business is a measure of all these fees that you're talking about.

ROYCE:

Yeah.

KRASNER:

And if you give people incentives, they may alter their behavior. Simply lecturing them, I think -- I mean, won't work because it's not by accident that they're doing the wrong thing. They're doing the wrong thing...

ROYCE:

No, but, we should differentiate, this was the former government in Egypt...

KRASNER:

Former government.

ROYCE:

... not the current one. But when the work is done for them and it's handed off to them and they still turn a blind eye to reforms in that system and then it's followed, you know, a year later by the self-immolations part of the population in frustration.

About that point, you realize you've got to find a more effective way...

KRASNER:

Right.

ROYCE:

... at leveraging or forcing these changes. I need to go to Mr. Eliot Engel of New York, my time has expired.

ENGEL:

Thank you Mr. Chairman, Ambassador Burns, I'd like to throw out a few things and ask you to comment on them. Obviously, I'm concerned, all three of you are concerned about the damaging impact about these cuts we'll have on our national security.

So let me ask you these things. Firstly, Vladimir Putin just attacked the American democracy and has been undermining our European allies for years. We need to resist the Kremlin's campaign to destabilize the west.

How will these cuts help our ability to help our allies respond to President Putin's dangerous influence in their countries?

BURNS:

Mr. Engel, if these cuts are instituted, they're implemented, if the State Department and AID take a 31 percent overall cut over the next couple of years. The only place to cut in the State Department is personnel.

We don't have battle ships, we don't have big bases that we could put in the mothballs in the interest of budget austerity. And I have been through lots of budget cutting and always cuts people. We're a very small core.

But foreign service is essentially too heavy brigades. So ultimately, you know, Putin is going to be a priority obviously, containing Putin in Eastern Europe. I worry -- I think that will be well served by any administration.

But I worry that other necessities will not be. Colombia for instance which is just lining up a good period of a peace accord. Are we going to maintain the faith we've had since the Clinton administration for Republicans and Democrats on aid there.

And so, you're going to have to make some cruel choices. The State Department is not big. As Bob Gates said when he was secretary of defense, there are about as many members of the Armed Forces marching bands as there are American diplomats. That puts it in perspective.

So that's why one reason I worry about the future of our great foreign service, it will be demonstrably smaller and we won't have the resources we need to protect our interest.

ENGEL:

Let me ask you this Ambassador, ISIS is getting weaker, its territory has been shrinking, Secretary Tillerson discuss the three-step plan to defeat ISIS; a military campaign, a transition phase and stability program. And Secretary Mattis has made clear that his strategy to defeat ISIS requires a strong partnership with the State Department.

So what would these cuts mean for stabilizing Iraq and Syria after the defeat of ISIS?

BURNS:

I guess it's an issue that some people in justifying these budget cuts says, we're going to withdraw from these conflict zones. Even if there's a cease fire tomorrow, and there won't be in Syria, you really need the State Department to go in.

Not as much DOD, we're not going to put major American forces on the ground to help stabilize, to negotiate a cease fire. To begin working with some new entity in Syria.

The U.S. Global Leadership Council actually pinpoints this question. And says that part of what the State Department and AID have been doing over the long term is to engage in programs that try to strike at the roots of terrorism and delegitimize the terrorist groups themselves.

And those programs are at risk if this budget is put forth.

ENGEL:

Let me ask you this one, the danger of climate change in the United States is crystal clear. In my view, unfortunately, President Trump is announcing plans today to decimate President Obama's Clean Power Plan.

But as we look around the world, we see coastal cities which could be enveloped by the sea in a decade or two. Famine deepening in already drought-stricken climates and populations on the move, destabilizing key countries.

How will steep cuts to American diplomacy and foreign assistance make us less safe by taking away our ability to make regions threatened by climate change more resilient?

BURNS:

This I think is one of the most worrisome aspects of this budget. Because climate is being targeted in the budget, not just the EPA, but also research. And particularly U.S. funding for research through the United Nations which is playing the central organizing role.

And I certainly accept the science. I think the climate change agreement, the Paris agreement was one of President Obama's great achievements. And one of the great achievements of American diplomacy over the last many decades.

We now have commitments, if we don't meet those commitments or as is rumored, if there's a debate in the White House that somehow it might have been pull out of the Paris Accords. It's going to fundamentally affect not just the climate science and diplomacy, but it will affect American credibility.

If you go to -- I know, you all travel, if you go to many parts of the world, climate is the number one issue. You go to Europe, it's the number issue of the population, it's not just the politicians.

So, if the largest economies, second-leading (inaudible) admittor says "we're not going to be part of this." There's going to be a dramatic reduction in American credibility.

ENGEL:

Thank you, and finally, let me ask this question. Any other witnesses who might want to comment on it. Last week, the "New York Times" published an op-ed entitled "The Real Threat to National Security, Deadly Disease".

The office provides just a sampling of the substantial infectious threats we currently face. The H7 and 9 bird flu spreading in China, potentially yellow fever out-break in Brazil and the rise of anti-biotic resistance infections that could become a greater threat in cancer within our life time.

So I ask unanimous consent that the article be included in the record. In the midst of these threats, the administration intends to slash funding for the State Department, USAID and the National Institute of Health all of which defend Americans against disease before they reach our shores and provide us with tools needed to protect ourselves, they eventually do.

So the question I have for any of you is would it be fair to say that the cuts included in the president's budget make us more vulnerable to international disease threats, can you speak broadly as to what the human and economic repercussions of these cuts might be, particularly for the American people?

KRASNER:

You know, I did read the op-ed, I thought it was exactly correct. There have been 400 diseases since 1940 that have jumped from animals to humans. What we need to do is have an effective monitoring system.

Which for instance Nigerians did have -- which enabled them to deal with the Ebola -- potential Ebola outbreak effectively. So we -- at a minimum we need to have budget support, have monitoring in places where these diseases might arise which are mainly in Tropical areas and the less developed countries.

ENGEL:

And this budget would take that support away?

KRASNER:

It would.

ENGEL:

Thank you. Thank you, Mr. Chairman.

ROYCE:

Thank you, Mr. Engel. We now go to Mr. Ted Yoho; he is the chairman of the Asia Subcommittee and also the chair of the Effective Foreign Assistance Caucus.

YOHO:

Thank you Mr. Chairman and I appreciate you all being here. I want to come back to the Ebola discussion if I have enough time. Today, America is confronting unprecedented instability in growing humanitarian crisis around the world. All of which have a direct impact on our national security and economic interest at home.

Completing slashing the 150 Account will not address our debt crisis. Understand, I'm one of the guys that came up here to get rid of foreign aid.

But after four years, I've become learned in this area, and realize we can as much as I'd like to get rid of our foreign aid. We have to use it responsibly, and we rely on people like you to direct us and make sure, Ambassador Burns, our foreign aid is used properly.

When you look with 95 percent of the world's consumer living outside of our borders, U.S. global economic leadership in foreign assistance generates significant returns on investments here at home.

You know, and I can go on here. Just the investment in foreign aid, when it's targeted and managed correctly, can yield great returns and help increase trade. Trade that is vital, not only to my state of Florida where it supports over 2.5 million jobs, but to the entire United States and the world economy.

And if you look at some of the largest importers of U.S. goods and services, our countries that have received U.S. foreign assistance. Look at South Korea, it was a donor state that we gave a lot of foreign aid to. Today, it's our sixth largest trading partner.

My goal and I hope the goal of this committee and I hope the goal, the president and the State Department is to do a paradigm shift of getting away from aid and developing it from aid to trade, and that's what our goal is. And Dr. Krasner, you talking about MCC, I appreciate the work you did in helping develop that. I thank you for the success of that along with -- along on those lines is OPIC, Global Food Security Act and Electrify Africa.

And again, coming from a strong conservative side, to stand up for global food security and Electrify Africa wasn't real popular in my district. But when you explain the benefits of that, and if you look at this country in the early 1900s, we had very little electricity in the rural areas. Government came together to form the co-ops, and, you know, invest in our electrification.

If we do that in Africa, as Chairman Royce pointed out, we could keep throwing money in there. But if you don't bring the basic essentials of developing a society, and by bringing electricity and

power to the people, you empower the people of Africa, the Empower people in Africa will change the dynamics in that country or any other country.

And so, for that reason, I'm a 100 percent behind this, and to cut it, I think is a mistake. And as General Mattis said, " To cut foreign aid, go ahead and do it, but you're going to need that money to buy more ammunition." I think that's a pretty good -- pretty good dialogue, there are description of what would happen if we were to do that.

So, knowing the budgetary restraints that we have that are coming down the pipe, that are going to get worse in the future if we don't change course in this country, there will be less foreign aid. Ambassador Burns, you were talking about cuts, the 30 percent cuts especially in the drugs, that's one I think we should cut since 1971 under Richard Nixon, the war on drugs. We spent over a trillion dollars.

And I would ask anybody on the panel, have we gotten better on this? Is there less drugs or more drugs. You know, and they're coming in our southwest borders, our coastlines, any border, they're coming in.

You know, and I look at the Poppy Fields in Afghanistan, they're still as productive as they have been over the Colombian cocoa plantations. They have more hectares planted today than they had before we started this war.

So it comes down to effective foreign aid. And that's why I like the MCC model that you guys have developed in OPIC. Because it's a way of holding those countries accountable, and if they don't pull out and invest in a country.

And so, let me get to my questions, I got them all right here. Should we be working in fewer countries or fewer sectors, if so, which ones? Dr. Krasner, if you want to start with that.

KRASNER:

Basic premise is exactly correct, we need to find incentives. So we need to find programs that are incentive compatible with the people we're giving money to, that's trade.

Self-funds have been a big success in Africa because they could get around the government. It's OPIC. These are things which people in these countries want, not things we're telling them to do.

So what I would say is, you know, I'm not sure about if fewer countries or fewer areas -- I think what we have to do is find programs which are incentive-compatible with the recipients. So that we can build our islands of excellence, and out of those islands of excellence, you might be able to get governments and countries that are functioning more effectively.

YOHO:

Doc, I'd like to finish out here, but I am done and I'm going to be respectful of the committee's time. Thank you all, I appreciate the work you do.

ROYCE:

Thank you, Ted, now we go to Mr. Brad Sherman of California.

SHERMAN:

The chairman is right, foreign operations expenditure deserve review, there are appropriate cuts. Some of that review will take place in this room. But what's most important is that we have a State Department leadership team that's getting the most for the dollars we spend.

Unfortunately, as others have said, there are virtually no undersecretaries or assistant secretaries at the State Department now. Now, I always prefer to blame the United States Senate for any problem, but certainly for the failure of officers to be confirmed. But in this case they haven't been appointed.

And we're running a situation where as we speak, on the one hand we get a skinny budget that says the money is being mismanaged or can't be spent effectively. And on the other hand, they don't appoint anybody to spend it effectively. This 28 to 31 percent cut is dangerous, it's short-sighted and without objection, I'd like to put it into the record, a letter signed by 121 three and four-star flag officers

ROYCE:

Without objection.

SHERMAN:

Which states, "The State Department, USAID Millennium Challenge Corporation and other development agencies are critical to preventing conflict and reducing the need to put our men and women in uniform in harm's way."

It goes on to quote Secretary and now Secretary James Mattis when he was commander of the U.S. Central Command, "If you don't fully fund the State Department, then you need to buy me more ammunition." So these cuts are a problem, they're dangerous.

Well, I'm glad the witnesses are here to answer my question, but the real question is for us, will members of this committee stand up to these draconian cuts? Will we draw a line in the sand and will we say we will not as individuals support the increase in defense appropriations bill going through until we're sure that the State Department and foreign operations are going to be adequately funded.

Now certain functions are protected such as malaria, AIDS, that means the unprotected functions are going to be cut more than 28, more than 31 percent. Such as public diplomacy, broadcasting, social media.

But I want to focus on jobs for Americans. Export promotion, other foreign ministries do a lot more work on that than the State Department, but now we're going to do -- we're going to cut that probably by well more than 31 percent.

OPIC, Overseas Private Investment Corporation, makes \$300 million or \$400 million a year for the Treasury. And that's not a one-time thing, that's year after year for 30 years. Plus, its main function is providing development abroad and it provides jobs for Americans here. It makes money, yet it's zeroed out in this budget.

But I want to focus on visas, because without foreign investment, without tourists, without international business deals, the required face-to-face meeting, we're going to lose an awful lot of money.

We grant 10 million visas every year for visitors, business, tourism, investment, they get over 15 million applications. If they screw up on just one application, we may have a terrorist incident. That's why our president has promised extreme vetting. But extreme vetting with extremely few visa officers is extremely stupid, it won't happen.

Ambassador Burns, are we going to be able to quickly evaluate business people who want to come here and do deals and do extreme vetting of those applications if we have a cut of say, 31 percent in our State Department of visa officers?

BURNS:

Congressman Sherman, because I think we're going to have to cut people if there's a 30 percent cut, then the answer to your question is no, we will not have it. And if the State Department officers -- and generally, our first and second-tier officers who interview all the tourist visas, business visas, student visas, refugees, it's a big responsibility, we have very few people to do it.

SHERMAN:

And the president believes we're not doing it intensely enough, and many of us have faced the other side of that. Where you hear from a local business and you say somebody is going to come in, they're going to invest, the deal has to take place tomorrow or the next day, and they can't get a visa yet because they can't even get an appointment.

So the -- I know you see it from the operations standpoint, the foreign policy standpoint. But the business standpoint of telling businesses, "Oh, wait another couple of months because we have extremely few people and we have to do extreme vetting."

The effect that will have jobs in our districts will be significant. And I yield back.

ROYCE:

We'll go to Scott Perry of Pennsylvania.

PERRY:

Thanks Mr. Chairman. Thanks folks for being here. We're all talking about the priorities I think of what money we have and how we're going to spend it and how it's going to be most effective.

And as a person who has been privileged to wear the United States Army's uniform, I -- and who has fought to stay on this committee and be on this committee, I think that many of us understand and agree that money spent on diplomacy as opposed to on uniforms and bullets wildly spent, can reach the intended goals.

So, we're talking about priorities here. I just want to tell you a story and get your reaction. I think there's credible evidence that during the last administration, USAID used funds to promote foreign policies that seem to me at least to serve no clear national security interest.

And I would -- I know you're all students at history, you must be if you're in these positions. And I just think about John's service in the Roosevelt administration and how it ended up with Mao Zedong or Chiang Kai-shek or how it didn't end up for Chiang Kai-shek and how it worked out for the United States relationship vis-a-vis a communist China.

Now, Ambassador Jess Baily has come under scrutiny over accusations that he had shown a political bias against the Macedonian conservative party, the VMRO and that he has facilitated coalition negotiations between the main leftist party and ethnic Albanian parties. And I don't think that the main leftist party generally speaking is the same thing tantamount to Republicans and Democrats in the United States. But that's what people might think when they read that.

Now, the embassy has also selected George Soros' NGO, Open Societies Foundation as the main implementer of USAID projects in Macedonia. And as February 27, 2017, so it's just recently, right? About a month ago, USAID announcement of a \$2.54 million contract with the Open Society Foundation which revealed the project included paying for training and civic activism, mobilization and civic engagement.

Now in the case of Macedonia, Macedonia not only has our American ambassador meddled in their political process, not that we don't, and not that others don't meddle in ours, but American tax-payer dollars have been disbursed to a known partisan organization to promote civic activism and mobilization. And while civic engagement is an important aspect of every healthy democracy, it is not in many people's idea the role of American aid to organize and promote civic activism.

And when the department -- so, the question is, when the Department of State or USAID is evaluating organizations to receive grants or program money, what role does the organization political motivations play in such evaluations, and is it coordinated with the objections -- objectives of the national security strategy and the national military strategy? Ladies and gentlemen.

BURNS:

Congressman Perry, I would just say this, I don't know the particulars of this case, so I do not want to second guess Ambassador Baily or say anything critical, I don't know the facts. I can just make a general statement.

Since the fight against communism in the 1980s became an animating feature of our foreign policy, and I served in the Reagan administration, the Bush administration. We did, the State Department, Congress funded both International Republican Institute, National Democratic Institute activities and we funded a lot of American NGOs to go into eastern Europe to promote democracy and freedom of the press.

And so, I don't see on the face of it or I don't know the particulars. I have no objections to Open Society, I think it's a very fine institution, that's done a lot of good in eastern Europe.

PLETKA:

May I?

PERRY:

Yes you may.

PLETKA:

With all respect which I actually genuinely do to Nick. Of course that happens, I don't know the particulars of the case in Macedonia either, does the State Department choose sides? You bet.

Does AID give grants to people who they think are going to turn things one way or another? Sure, they do.

But guess what? That's your job, this is the Oversight Committee, we ought to be looking at those sorts of things.

PERRY:

So when we're selecting, do we also include the objective of the NGOs or their program and how it dovetails or nest with the national security strategy or the national military strategy. Because from my point of view, as a person who has worn the uniform and worked with the State Department, we're headed in one direction, and state always seems to be heading in another.

And in this case, it seems to be that is the instance. And if we're picking priorities, with short resources, with limited resources, we got to -- we got to choose very wisely and make sure that we're all headed in the same direction.

PLETKA:

I don't think it's fair to suggest that the State Department has always headed in the opposite direction from the United States Congress or the American people. It's their job to make the case.

In each instance, in each congressional notification that they send up, that in fact what they are doing has a rationale that is in the interest of both the national security strategy and the American people. That's their job to do that in each and every case, and it's the job of the Congress to ask them whether they're doing it or not.

PERRY:

OK, well, I'm out of time. But for the record, I'm asking. Thank you Mr. Chairman.

ROYCE:

Thank you very much Mr. Perry. We go now to Gregory Meeks from New York.

MEEKS:

Thank you Mr. Chairman. Let me first make sure that the record is clear on my behalf and I don't think that it's clear on behalf of the budget that's proposed by the 45th president of the United States.

What I can speak for is the 720,000 of the 5th Congressional District of New York. And I want to say to all of the women and men of the State Department, thank you. Thank you for your service, your dedication to this great country.

Just as I say, thank you to every person that's in the United States military for what you do for our country. Those women and men of the State Department are the very best, they make sacrifices on a daily basis on behalf of the United States of America.

And this budget does not give them the kind of respect and the kind of credit that they deserve, because they represent our country well. And so I can speak on behalf of the 720,000 people that I represent in the 5th Congressional District and I want all of them to know how much we appreciate their service to this great country.

We would not be who we are today without your leadership and without your sacrifices. And so I think that this budget is devastating, devastating to the leadership of our country and to the service that you've rendered to it. And I wanted to make sure that that phrase was on the record.

I am just shocked at this budget, to be quite frank with you. And I think that it's a bipartisan, and it should be a bipartisan effort, because it always has been where we've been bringing this together.

This proposed budget envisions a different role for America in the world, that's what It does, where one does not lead based upon principles or ideas but rather an America that's driven by what is our bottom line.

And so what does that mean to those of us and to the world who looks to the United States for leadership? The liberal, democratic world order is one that we built to protect our country and everyone else's. It's to protect democratic interest, and that's what the State Department does.

When you look at the protest, the recent protest in Belarus in Russia, places where it's awfully -- and though protestors are awfully brave to take and taking real risks of brutal suppression are worried about what the new generation of freedom fighters will have in that regard.

In America first where all these brave freedom fighters are separate from our interest, whereas I see a free world as one where America does in fact benefit, in fact human kind benefits.

So let me get off my -- I got a couple of questions that I do want to get to and I guess I'll go to Mr. Burns because I know that you stated, the State Department's main resource is its personnel, and you talked about that over and over again.

How might we help attract and retain a committed and dedicated workforce now after this hiring freeze and what's going to the future, because I'm concerned about also the future, what kind of message that it sends to our men and women of the State Department?

BURNS:

Congressman Meeks, as I said in my testimony, I've never seen morale so low, I'm not blaming Secretary Tillerson by the way. I think he's doing his best, but he just doesn't have any lieutenants around him.

And so there needs to be a message from the White House that in addition to respecting, as you say, the military, as all of us do, our diplomats are doing vital work for America.

In my written testimony -- I won't go into it, I outlined some of what diplomats do every day, commercial work, consular work, political work, we embedded our political officers with our troops in Afghanistan and Iraq. And so that's service to the country.

I teach now at a school that produces students who want to go into the Foreign Services in the military and all of our students are wondering, will our work be valued? And that concerns me greatly.

MEEKS:

And by the way, and I think Mr. Sherman touched on some of these, because there are Americans that believe that the cuts would not directly impact their lives.

But what if I tell you that the Department of States role in advancing and I think Mr. Krasner indicated, U.S. trade policy objectives by opening new exports and job opportunities for American businesses and workers through trade initiatives supported over 315,000 U.S. jobs in 2015 in just my home state of New York.

And what if I told you that more than 1,700 exchange visitors as indicated from overseas visited New York and nearly 1,000 New York residents travelled overseas as part of the Department of Education and cultural exchange programs in 2015 and 2016.

What will happen to American jobs and cultural education exchange as a result of these drastic cuts? We will be hurt.

I see I'm out of time, I just want to make sure we put in for the record, that -- because we could talk various programs, I wanted to talk about Colombia, we don't have enough time, and how important it is to continue that.

But because of a bipartisan way, former Republicans, Senate Majority Leader Bob Dole recently made a statement in the Washington Post which I ask to be submitted for the record, it says, "Eliminating the McGovern-Dole program would have a disastrous effect on the planet's most vulnerable children. Without a reliable source of nutrition, these children face a lifetime of stunted physical and mental development and unrealized opportunity. This global school meals program remains one of the proudest achievements of my lifetime. It embodies the very best of America's values. Saving this program means saving lives. It is simple as that."

And I ask that this, for unanimous consent, that the quote from the Washington Post article be submitted into the hearing record.

ROYCE:

Without objection. We go now to Mr. Dana Rohrabacher of California.

ROHRABACHER:

Thank you very much Mr. chairman.

First of all, let me note that the bravery of our military is not and should not be used to justify specific military actions or justify overall budgets that is based on those specific military objectives. Either those objectives are right and they're being handled right or they're not. The bravery and courage of our military is not what you're deciding.

And it is the same way with the State Department. The State Department has people who are very -- these are high quality people who are working for us, and we are lucky to have them. But it does not justify the policies they have towards the state Department by saying how what good quality people they are. Yes, they have our thanks; and yes, they're wonderful people; and I reaffirm that that's in my heart, and I just - something I'm supposed to be saying today.

What we need to be looking at is the policies that we're following and what we demand as a congress and the level of spending we demand at the congress. I say number one, the president of United States wants to cut the money that we're spending in this foreign arena and the foreign affairs in terms of the State Department and foreign aid, terrific.

Somebody finally got the message from the American people that we're not going to put up with the corruption with the financing of our enemies that we see over and over again when we look at our foreign aid budget.

How much had we given to the United Nations, and how much of that is being wasted, how of that is going to people who hate our country and undermine the peace of the world. We're financing the Palestinians for peace sakes after all of these years, does it make sense that we finance people who will not come to grips and will not go and actually seek real peace with Israel after all of these time.

We are spending money, while those other countries are run by people -- such wonderful people like Lumumba who got billions of dollars from us.

And Karzai, how about Karzai -- the Karzai family, or how wonderful it is that we're getting foreign aid to them while billions of dollars are being stolen.

And by the way, where do those billions of dollars end up? Well, they end up at banks of course. And when these dictators, and with the Karzai family, finally gets arrested somewhere, who has the money?

These big international banks, we need to reform that, we need to make sure that when some dictator is ripping his own people off, that instead of going to the American tax payers, let's just pour some more money in there, that we take care of that, the banks and those dictators, and cut them off from the flow of money.

By the way, just my note, Karen Bass has bill that wants to, you know, help the people of south Sudan, we've heard about that today. That's what we should be focusing on, our emergency situations, and situations where we have a natural catastrophe or an emergency is putting people at risk.

Putting millions of people at risk, yes, we can afford to do that, that is our moral obligation. It is not our moral obligation to build the economy of these other countries, especially there are so much corruption involved, that that gets drained away and taken from the American tax payers.

So I would suggest that, yes, this -- that this administration is going to demand that we take a second look and a close look at what we're financing.

And yes that's right, we should not have our state department people out prying to justify and push certain sexual mores in a country, change their basic values to us, that's not the job of the State department. And that's the way to make enemies as you go in and tell people that your fundamental believes are wrong and we're going to push you on it.

So we need to make sure when we go in, yes, we also have of course, we mention climate change day, isn't that wonderful. That all these centuries of mankind we have these climate cycles, now instead of trying to help people who are in an emergency, now we're going to try to change the climate.

We're going to -- we're going to try to change the climate of the world. By the way, there are -- I know my good friends are going to say, well, there are so many scientists who say that we're causing that climate change, now there's lots of prominent scientists as well who say just the opposite.

But we have noted that throughout the history of mankind, we have had cycles of drought and famine and we need to work with our fellow countrymen to help those who are in need when those cycles appear.

In fact I remember that -- I think it was Joseph that went to Egypt and told the Pharaoh that by the way there's a cycle here, you're fat now, but there's going to be something coming, where you're going to need to have your food and you need to make the right policies now to deal with that cycle.

And you know what, the Pharaoh did that, and it saved the people of Egypt. Of course, I think the people of Israel wanted to get free from that as a, you know, payment for trying to save the people of Egypt that way.

But anyway, with that said, Mr. Chairman, I hear all of these naysayers and criers here about having to reduce the foreign aid budget, three cheers for President Trump for at last getting rid of the waste in our foreign affairs, in our foreign aid that often goes to crooks and enemies of the United States.

ROYCE:

We go now to Albio Sires of New Jersey.

SIRES:

Thank you Mr. Chairman, Ranking Member, and thank you for holding this hearing in light of President Trump's draconian cuts to the State Department.

I join my colleagues in sharing my deep concerns on how such drastic cuts will impact the Government's ability to give Americans abroad and right here at home safe.

As ranking member of the Western Hemisphere Subcommittee, I have seen first-hand how U.S. engagements is critical in achieving our goals. Without U.S. presence in the region, countries like Russia, excuse me Dana, and China are waiting to take charge in the countries closest to our borders.

Countries like Cuba and Venezuela will no longer have to worry about western democracy pushing back against their authoritarian leadership.

And pulling on our engagements to Central America, will give the green light to enable smugglers to bring in tens of thousands more children across the Northern border to the U.S. border.

Concerns regarding this budget should not be partisan, since Trump analysis plans to cut nearly 30 percent of the State Departments budget, policy experts, senior military officials and faith-based groups have all spoken out about the dangerous ramifications.

Over 100 Christian leaders, including the 2017 inauguration speakers, Cardinal Timothy, Timothy Dolan and Reverend Samuel Rodriguez who Samuel Rodriguez wrote to congressional leaders on March 16th and stated that "It's our moral responsibility to urge you to support and protect the International Affairs budget. We cannot turn our backs on those in desperate needs."

Mr. chairman, I asked that the letter be submitted for the record.

ROYCE:

And without objection.

SIRES:

You know, as we go through this, can you please tell me what would cuts to the efforts in Colombia mean in the near future, if we at this point step away from helping Colombia continue? Ambassador Burns?

BURNS:

Congressman, this has been a bipartisan effort, which was started by President Clinton, continued by President George W. Bush and then President Obama.

I hope President Trump will support the extension of our support of Plan Colombia. Now they're at a critical point where they have a peace agreement, it needs to be implemented fully, it's going to be difficult.

And American foreign policy most often succeeds when we have a long term view, when we keep at it, and I hope that the Trump administration will keep at this in the tradition of its predecessors.

SIRES:

Can you comment on that -- no -- Dr. Krasner?

KRASNER:

Yes, the only thing I would say is that we shouldn't expect -- I mean, Plan Colombia has been a tremendous success; the country would have fallen through the fork without Plan Colombia.

But we shouldn't hope for too much, I mean, as one of your colleagues pointed out, there's actually more cocoa being grown in Colombia now than was the case twenty years ago.

So all I will say is don't expect miracles, I think we got our pretty good administration in Columbia, our help has been effective, it has provided better security in the country. It doesn't mean that the place is going to become nirvana, you know, in the next decade. So, just modest objectives.

SIRES:

I'm also concerned about the Northern Triangle countries, and our engagement in trying to get the youth involved. I was recently was recently in Guatemala and Honduras and they were very concerned about these cuts.

Can you talk a little bit about if we pull away and just not participate in any of the social programs that we have been implementing lately?

KRASNER:

Sir, I want to be modest here because I don't know well enough, but it seems to me, you know, this notion that we can somehow export our problems by sending all of the gang members back to these countries doesn't seem to me like a very wise policy in the long run.

So I think we need to continue to be engaged in these programs, again without the expectation that they're going to be turn into Switzerland or whatever. But where they could be more reasonable places especially for younger people.

SIRES:

Anybody else?

BURNS:

I think these are very important programs, I'm not an expert on them, but I'm familiar with them. And we have to have a commitment that's ongoing to the people of Central America given this symbiotic relationship we have with them, people are people across the border.

PLETKA:

I've kept my mouth out of this because I don't know very much about Latin America. The case that is the right one to make is that people will come and try to immigrate illegally to the United States when the situation in their homeland is untenable.

This is something that serves -- not in every case, and you have to make a persuasive case, that it serves the American people to ensure that those in Central America are not fleeing or sending their children which are fleeing from their capital from gangs, from terror to across the border.

SIRES:

Thank you. And one last question -- I run out of time.

ROYCE:

Thank you Mr. Sires. We go now to Mr. Steve Chabot of Ohio.

CHABOT:

Thank you Mr. Chairman. I've been a member of this institution for about two decades now, about 20 years. But prior to that I was for five years a county commissioner and five years prior to that - - four or five years, I was a member of Cincinnati City Council.

And I know how Governments often times work when it come to having to balance budget, make cutbacks and things of that nature. And typically at the city council level, if they got to make cuts and maybe they're thinking of a tax levy or something along those lines.

They have a tendency to put out the things that people just can't do , you know, we need to -- we're going to have to cut back on police, we're going to have to close the parks. And sometimes they literally close the parks to get the public kind of the sense to basically try to support whatever it is they're trying to do. The argument being at that level, we've cut to the bone, there's just isn't any waste.

And I'll give the president credit for drawing attention of the fact that, yes, we do have a \$20 trillion debt hanging over our head, and we're going to have to cut in certain places, we're going to have to freeze in certain places, we've going to have to reduce the rate of growth in other places.

And there aren't a lot of easy choices here, and at least with the public's point of view, when it comes to foreign aid, that's one of the things. Everybody always says we're spending way too much in foreign aid, and surveys, how much should we spend. Well, no more than 10 percent and - well, we're spending less than 1 percent and that kind of shocks the public, so I understand that.

And these cuts let's face it, are -- when you look at it, certainly if I work in the State Department, you know, 30 percent cut for State Department foreign aid or USAID is a very significant percentage cut. And the odds of that happening ultimately getting through congress is pretty slim knowing the way these things operate.

But that being said, let me ask the panel this, we do need to save some money somewhere, okay? And I understand how much good a lot of our state departments, our diplomats do around the world, I've seen them in action, I know how hard most of them work.

But again that being said, if you have to cut somewhere, where is their waste within either USIAD or within the State Department portion of the budget where we could actually make cuts, reductions without, you know, jeopardizing U.S. security or our posture around the world or whatever.

I see you chopping off a bit, maybe ambassador, so I'll let you go first and I'll ask the other folks.

BURNS:

I'm sure, I'll be very brief. I put in my testimony, reform has to be ongoing, cost cutting has to be part of the culture.

Secretary Tillerson, obviously an impressive manager, he has a good opportunity to do this, and people should be opened to change and reform.

We are top heavy, right now there are two deputy of state positions, I think we can survive with one.

Second, there are too many undersecretaries, push authority down to the line officers, the assistant secretaries, they're the people who run the state department.

In addition to that, there's been a proliferation of special envoy offices, I think we work better when the assistant secretary for Europe or Asia has full authority not encumbered by lots of different special envoys.

And last, this may sound like special pleading from a former career foreign service officer, an excessive number of political appointees. You got to let career people aspire to positions of responsibility, that's what I put in my testimony.

CHABOT:

Yes, and I certainly agree with you in that last point. I think on both sides this has been abused for years by both Democrats and Republicans, where people who really aren't qualified are the faces of the American people around the world. They ought to be people who know what they're doing, they ought to know the language, that ought to be a requirement.

Ms. Pletka.

PLETKA:

I fully agree with Nick that the state Department needs to be at a constant process of reform. I don't think they're going to have two deputy's in this administration, at least that's what I understand.

But look, I mean, we listed some of the big targets out there, we provide vast amount of foreign assistance to countries for political reasons. Pakistan, Egypt, Israel, Jordan, others, those programs including Israel's economic support funds needs to be looked at seriously when we're in the process of budget cutting.

We need to actually make cost benefits choices with all of them. And in the case of places like Pakistan and Egypt, we need to ask ourselves, whether our programs have been designed in a way that has been effective.

And I think the answer is manifestly, no.

CHABOT:

Thank you. And Dr. Krasner briefly.

KRASNER:

Yes, I don't think this is a question of waste, I think it's a question of policies. And I want to talk about our development assistance, not the state's department, which is a pretty small organization to begin with.

You know, I do think that we need to focus on programs which actually serve our national security, that might mean security assistance, it may mean even giving money to some guys we don't like that much because they provide security. It means health, which has been actually been a big success in the post war period, and it means some modest economic growth.

But it doesn't mean a set of programs which we're tempting to transform these countries, I think as Congressman Rohrabacher said, "Telling them what we think our values are, and thinking they're going to accept them, isn't going to work."

So I think focusing on security, health, modest economic growth is what we ought to do in our development assistance.

Thank you, my time has expired.

ROYCE:

Gerry Connolly of Virginia.

CONNOLLY:

Thank you, Mr. Chairman. I do want to begin by saying you don't make American great again by unilaterally withdrawing from the world.

Since World War II, we've been and remain the essential nation, Ronald Reagan used to talk about being that shiny city upon the hill. In think what he meant was a beacon, a place people could look to for succor, human rights advocacy and protection, that's who we are.

The budget in front of us reflects none of that. Dr. Krasner, you were, quote, saying, "The nature of our national security as well as our ideals require a commitment to long term development." You reaffirm that statement?

KRASNER:

I do, and I would say there are clearly challenges that we have in the world. I think Russia, since I'm not a diplomat, I can say this is basically a mafia state.

But let me say why Russia is basically a mafia state, but I wore this tie today, the ties from China, it's the nicest tie I have, the Chinese are really a challenge to our national values and ideals. And if we simply withdraw from the world and seed areas to them, that's not a good thing for United States security in the long run.

CONNOLLY:

I couldn't agree with you more. And I assume that you would agree that both Russia and China for different reasons, in different ways are adversaries? Sometimes we cooperate, but in terms of the overall relationship, it's an adversarial relationship, is that correct?

KRASNER:

Yes, I agree.

CONNOLLY:

So when we withdraw as you say, they win.

KRASNER:

Vacuums will be filled as we've seen in Syria.

CONNOLLY:

Ambassador Burns, with all due respect, I hardly think whether we have one or two deputy secretaries or how many undersecretaries or for that matter political appointees, I think that begs the question of a 31 percent cut.

I mean, you're not going to achieve efficacious savings with those changes even if every one of them were adopted.

BURNS:

Well, that's right. We were asked to do two things here, comment on the budget, but also look at reforms, I submitted my ideas on reforms.

I'm not as confident as Steve on the AIDS side, I differ to him.

CONNOLLY:

Yeah.

BURNS:

But I did say Congressman Connolly that from my perspective, 31 percent cut, is going to cripple the foreign and civil service and USAID. It will not be effective.

CONNOLLY:

And I'm going to run through three sets of questions really quickly because of time.

Diplomacy, it's not just a matter of bodies, obviously we're going to have to shrink our foreign service if this cut is sustained, is that correct?

BURNS:

Yes.

CONNOLLY:

And it isn't just numbers, so we go from 10,000 to 7,000. It's also who those people, is it not? We're going to lose skilled diplomats, and we're going to have trouble recruiting others to replace them if this budget in fact were to be sustained, is that correct?

BURNS:

That's right, it takes decades to produce someone like Ryan Crocker our great ambassador, area expert in the middle east, you just can't produce these skill sets.

CONNOLLY:

Right. I think that's a really good point, take North Korea, if we end up having multilateral talks again, and not just anybody can represent United States or should at that table, it requires somebody with lots of skill sets.

And we may even need to have very specific skill set, it helped us in the JCPOA for example to have Ernest Moniz in that room because he was an expert in the nuclear field.

Humanitarian aid, Mr. Rohrabacher went through a list of failures and a correlation between corruption and foreign aid, but humanitarian aid can be very efficacious and can save lives, can it not?

BURNS:

Without question, in global public health and development, think of the Haiti earthquake, think of the SARS epidemic, Ebola. These things happen, we don't live in a conflict free world, we got to have the men and women prepared to act the day it happens.

CONNOLLY:

And finally, the United Nations, a favorite whipping boy for some of my friends in the other side of the aisle. Let's take peace keeping operations, the peace keeping operations serve U.S. interest? And what might happen if we were to defund them? Any could --what could go wrong with that?

BURNS:

Well, when U.N. peacekeepers deploy, it means United States military does not have to deploy, to really difficult places.

And the U.N. development program, the world food program, the U.N.'s effort to monitor Iran's adherence to the nuclear course, these all comes out of the United nations, we created the organization...

CONNOLLY:

I'm wearing a Save the Children tie today, not a Chinese tire today. Dr. Krasner, to underscore that point, by our investment, UNICEF and other NGOs who have saved millions of lives with some very simple programs that weren't there before.

KRASNER:

It's a great organization.

CONNOLLY:

I yield back.

ROHRABACHER:

I just thought I'd hold us up for a moment. So the vision of me with this gavel on my hand is bound to create repercussion somewhere overseas.

(UNKNOWN)

And be afraid, be very afraid.

ROHRABACHER:

Mr. Kinzinger

KINZINGER:

I can makes comments but I won't. Thank you all for being here, I want to briefly piggy back on Mr. Connolly's comments.

I see the United Nations -- United Nations needs a ton of reform and anybody that argues against that, I think it's a very difficult argument to make, but I see the U.N. as a force multiplier.

First off, we have outside presence in the United Nations, I went to Liberia a few years ago, that's a U.N. mission that -- that is a mission that U.S. troops are not doing right, and we're seeing folks from all over the world brought in to do that and sure there's mismanagement and there's waste in that too.

But we don't want to throw the baby out with the bathwater in this. I think one of the unsung things that the State Department does is conflict mitigation. We hear people talk all the time about, you know, for instance when it comes to security, the security apparatus has to be right all the time, and you never see where the FBI for instance successes are in unraveling a potential terrorist attack, I think the same holds for the State Department.

When conflict mitigation occurs which stops a war from happening that can ultimately lead to death of either the locals or in some cases U.S. military's, we have to go on and fix it, that's something that is never talked about.

One of the things I'd like to talk about, is what I call the next generational war on terror, and it doesn't mean we're declaring war on terror against the next generation, it means we're trying to prevent having to declare war on terror with the next generation.

I was in Turkey recently and went to the -- as many on this committee have been to the Refugee camps, 7, 8-year-old kids there that Turkey is doing their best, and host nations with Lebanon, Jordan are doing their best to educate these children, but it's a very huge strain on their own society.

And what we see are kids that are growing up without proper education, that are in an environment to where they are the prime recruits for ISIS or the next Al-Qaeda or the next Boko Haram or something we haven't even thought of yet. Because they're in a position without having the knowledge and education of what's going on so believe that it is the west holding them down and the values of radical Islam are what they need to subscribe to.

And I think it is completely short sighted, when we talk about simply cutting the military or cutting the State Department but boosting the military. And I'll tell you as a military person myself, I believe in boosting the military, in fact I'll go \$50 billion even beyond what the president was suggesting, I think we need a \$100 billion increase just to get us back where we should be.

But I also think cutting the State Department makes our need to use that military far more likely, this is not a world anymore that we can put up walls, where we can - I mean, by the way, why would you need a military as big as we're talking about creating if we were just going to use to defend ourselves. If everything outside our shores didn't even matter as what we're saying with the State Department cut, why would we even need a big military. We could have a military \$100 billion that can defend us against Canada and Mexico pretty easily.

So my question in that, and I'll start with you, Dr. Pletka, when I talked about that next generational war on terror, when I talk about the fact that we can defeat ISIS, but our concern is to be with the

7 and 8-year-olds in the region right now. Can you talk to me or maybe all three of you if we have time, about what impact a 40 percent cut to the State Department will have on our ability to prevent the next war on terror?

PLETKA:

At the outset in our statement, I think all of us came out pretty strongly against the wisdom of a 30, 28 to 31 percent cut at the State Department. Even understanding that it was going to plus up with OCO funding, which it is, very substantially beyond the scope of the cut.

Look, this is -- this is something that none of us are going to disagree on, we have to invest in the future of the middle east, we have to ensure that people have places to go back to.

You can have an argument till the cows come home about how many refugees we're going to take into the country, we're not going to take 4.5 million Syrian refugees, even our advocates are taking a lot more than we are now, aren't going to take them, they have to have somewhere to go back to.

And that place unfortunately for them right now is Syria. That means that we need to invest in the future of these countries, that's when I -- that's why when I hear people say that our values aren't things we need to talk about. And that nation building isn't something the United States is about, it doesn't make sense to me even as a realist. Because they need to go somewhere, if they don't go somewhere, they turn into exactly what you suggested, the Al-Shabaab, the Boko Haram.

I will say since you allowed me mic though, that not every year U.N. operation is actually the most important or necessary operation, nor is it strictly necessary that we pay 28 percent of peace keeping when the fact that should suggest we should pay 25 percent.

There are places to get savings, is that going to pay for everything that we want to do? No. Are these cuts too much? Yes. But there should be a reason to look at rational and reasonable reforms, that prioritize the way that you just did.

KINZINGER:

I don't disagree with you, unfortunately, the others, I'll have to cut you short. But I just want to say, you know, look, when you have half a million dead Syrians, almost half -- 50,000 of which are children and we sit back and say that doesn't matter to us, or the answer is doing power strong man or a Russian regime.

And then we wonder why an entire world in essence is turning against us because maybe they don't like to be oppressed, even though we think maybe they do somehow which obviously they don't. I think what you see as a result is easily to understand what's happening.

With that Mr. Chairman I yield back, thank you.

ROYCE:

And next is Miss Karen Bass.

BASS:

Thank you Mr. Chair, I want to ask several questions relating to the president's proposed budget and the cuts. And your views on how we might respond.

So for example if the cuts were to go through, and we had the Ebola crisis, how would we be able to respond to that?.

One thing Ebola taught us is that the crisis might have been in Africa but It could quickly come to our shore. So if plus 30-plus percent cut did go into effect, how would we be able to respond?

Ambassador Burns. Any of you.

BURNS:

One of the reason we were successful with Ebola was the U.S. military and its work with the State Department on the ground in the four countries, in fact I include Nigeria because there was a near outbreak there.

And this nexus is so important, every president, when they do their budgets, has always tried to integrate defense and the state department in aid. This budget doesn't do it, which I think it's one of its main weakness.

BASS:

And so I wonder how is the state department functioning now, so for example you mentioned that they're not assisting secretaries, I work closely with the Assistant Secretary for Africa, I know there's not one in place now, I don't understand why the sitting assistant secretary wasn't left in place until a new secretary could be appointed. I don't even know who to call.

BURNS:

Well, Ambassador Linda Thomas-Greenfield is one of our great Foreign Service officers.

BASS:

Yes, I agree.

BURNS:

I have enormous respect for her. What happens over the last four months is that several of our most senior and experienced career diplomats were asked to resign, they weren't asked to leave their current jobs and then perhaps be available to serve elsewhere, asked to resign, it's an enormous lost.

You know the names, we all know the names. And that's a great mistake. And to be near April and not to have a leadership on the 7th to 6th floor of the State Department. It doesn't make sense for the interest of the Trump administration. We want the president to succeed, but he can't succeed, cannot if he doesn't have a state department leadership in place.

BASS:

And it's my understanding too that some of them just went ahead and resigned before they were asked because they saw the writing on the wall including her. So currently we're dealing with farming, and have introduced a bill to respond to the famine that's happening in South Sudan, all those African countries too.

How would we respond?

BURNS:

You know, as the chairman said, there are four countries at risk of famine, Yemen and South Sudan, and Nigeria and Somalia, this is unprecedented. And what you need in an emergency situation, we saw this in the Tsunami of 2004, the Haiti earthquake, we need to have trained people who are on the job, who can go into action in 24 hours.

That's why the Ebola crisis was contained, that's why way back in 2004, it was the U.S. and Japan and Australia that led the rescue effort to the victims who were victims of the Tsunami. You can't just create that on the fly.

And again I know I said this a lot, but I do want to repeat it, the state department is very different than homeland security and the defense department, we basically have people. And it takes decades to train a Linda Thomas-Greenfield, you just can't produce somebody and hire someone off the street to do that job.

BASS:

You know, my focus on Africa has been promoting trade, and I know that OPIC is due to be cut, and that's -- I mean, that helps us promote U.S. business involvement, so I don't quite understand the rationale for that.

I'm also concerned about the elimination of the African Development Foundation that specifically builds the capacity of Africans to do for themselves, which to me is exactly how our foreign aid should be.

And I just wondered if you -- if any of you, either of you had a comment on that, Dr. Krasner or Ms. Pletka?

PLETKA:

We didn't -- we didn't speak specifically about it, but I think in everybody's testimony, we alluded to the fact that there's a lot of support for OPIC.

I do think that it's vital, again, to make the case about how OPIC works, what works in development. What works in development is not development dollars from the American tax payer, it's private business....

BASS:

Excuse me, before my time runs. Have any of you talked to Tillerson, Secretary Tillerson? How is -- I mean, because he doesn't speak to the press, so what is he saying, how is he doing his job or not?

BURN:

I have not talked to him since he took office, no.

BASS:

Have either of you spoken to him? Do you know anybody that has? How do they say he's doing his job, because I also don't understand why he's silent and won't speak to the press.

So do you know anybody that's talked to him and what have they said about how he's doing his job, isn't he concerned that he doesn't have any staff? OK, Ms. Pletka, you look like you know.

PLETKA:

I am not the next Sean Spicer, I'm not going to speak for anybody in this administration, and I don't know the secretary or what he thinks and I would never presume to speak for him. We have many of the same questions.

BASS:

I wasn't asking you to speak for him, I was just saying if anybody has clue, this is a mystery.

PLETKA:

I don't know. I don't know.

BASS:

Dr. Krasner did you mind?

KRASNER:

This is the advantage and disadvantage of living in California, it's a long way from Washington.

ROYCE:

We have -- thank you very much. Let me remind our colleagues that one of our witnesses Dr. Krasner has to leave at noon and if you could hurry -- you got five minutes, it's yours, but if could use a little less time, it would be easier for the rest of your colleagues to get a chance to ask the whole panel their questions.

And I ask now, I go to Mr. Donovan.

DONOVAN:

Thank you Mr. Chairman. And in respect for my colleagues, I'm just going to ask just one question of all of you. Waste, lack of metrics, and results bureaucracy, lack of transparency, duplications, these are all major concerns about foreign assistance which these proposed cuts claim to address in part through the elimination of agencies.

Some of our leanest and most efficient agencies such as the Millennium Challenge Corporation, Inter American Foundation, my friend Karen Bass talked about the U.S. African Development Foundation, they systematically evaluate, they have clear results, they have access to a long term impact, leverage outside resources, and reach a level of needs where others cannot are on the chopping block for elimination, either a cut totally or consumed by a larger agency like USAID.

When we look to prioritize our cuts, shouldn't we first protect the agencies, the efforts that are working, and why would we sacrifice or fold in some of the most cost efficient models like those that I just mentioned, that encourage competition in local ownership, while keeping intact some of the agencies that have exhibited some of the gravest examples of waste intractable, inefficiencies, and weak results.

I just like you to comment on how we're choosing these agencies or these organizations that would be either eliminated in total or be consumed by some larger agencies like USAID.

KRASNER:

I agree entirely with what you said, I think the MSA was really...

ROYCE:

Is your microphone -- Is your microphone on?

KRASNER:

Yes, it's on. I mean, was really a leader in developing metrics and measurements, but I think that challenge is actually been taken up by other aspects of the assistance community including the USAID as I said.

I've been on the board of directors of United States to Institute the Peace, and I know there that they systematically introduce measures that are designed to access programs. So I think looking at cutbacks, it would make much more sense to look at agencies which are evaluating their programs rather than look to me like a blanket cut.

DONOVAN:

Thank you, anyone else?

PLETKA:

You know the right question to ask is not how much you want to cut, it's what you want to achieve.

BURNS:

And I would just add, I agree with you as well. I would just add, the Trump budget cut don't appear to be embedded in a strategy, and I will agree with you,, we have to be demanding about transparency, about metrics, and there are lot of these institutions that you mentioned that are going to be cut perhaps that meet those criteria.

So I just don't see the strategy here.

KRASNER:

Thank you Mr. Ambassador, I yield the remainder of my time Mr. Chairman, thank you.

ROYCE:

Well, thank you, and I would hope that our colleagues might use you as an example. Next Mr. Cicilline

CICILLINE:

Thank you Mr. Chairman. Thank you to the witnesses. The proposed cuts that President Trump has submitted to congress are disproportionate, short sighted, and would be devastating for U.S. National security interest round the world.

As already mentioned here today, wide range of diplomats, security experts, members of congress and other experts have condemned these cuts and described the devastating consequences they would have to our national security interest.

And I would like to submit for the records as unanimous consent that a op-ed written by a former Senate Majority leader Bill Frist explains that these proposed cuts would have a severe moral national security and economic impacts that would negatively affect U.S. interest and U.S. leadership in the world, be made part of the record.

ROYCE:

And with that objection, so ordered. And let me remind my colleagues that you can also put questions into the record for our witnesses and they will answer -- give you a response.

CICILLINE:

Thank you Mr. Chairman. Frankly, it's shocking to me that it is the responsibility of the foreign affairs committee to educate the president of the United States on the value of investing in a diplomacy.

It seems like everyone would understand the consequences of this kind of massive disinvestment, but apparently not. So I'd like to ask you Ambassador Burns, if the United States were to reduce our assistance efforts around the world in the kind of magnitude that the president has suggested, are there other governments that will seek to fill that space? And what might increase assistance from foreign governments with different strategic aims that the United States have on our long term national security interest?

BURNS:

Congressman Cicilline, I will just echo what Steve Krasner said a little while ago, every vacuum is filled, certainly the Russian government, adversary of the United States wants to take the place of the United States in Eastern Europe. The Chinese government pushing out in the South China Sea.

As the Trump administration said no to the transpacific partnership, which I thought was a grave strategic mistake, China will now set the trade agenda. So over and over again we've been the liberal world order leader since Harry Truman's administration, both parties have invested in that.

And I think with these budgets cuts, they worry a lot of people, they could be indicative of a larger retreat by the United States from its global responsibilities.

CICILLINE:

Thank you ambassador. I like to now turn to the United Nations. As you know the security council has adopted sanctions targeting terrorist groups like ISIS and Al-Qaeda, and world regimes like North Korea in recent years.

These include legally binding, arms embargoes, travel bans, asset freezes, and now there are measures designed to increase pressure on these groups, undercut their ability to carry out nefarious activities, and hold country, businesses, and individuals that do business for them to account.

U.S. do payments to U.N., regular budgets have finance average to monitor international compliance with these measures so we can ensure they're being implemented effectively and adjust accordingly.

For example in late November this year, the council adopted new sanctions against North Korea, which are expected to lead to a decline in North Korean coal exports, a major source of revenue for a regime by as much as 60 percent.

Do you think it's important for United States to continue to engage the U.N. on these types of efforts, and how would cutting the U.S. funding to the U.N. negatively impact our ability to push for full implementation of these sanction measures and to be sure that they are in fact followed through with consistency?

BURNS:

I think we have to stay with the U.N. is a deeply flawed institution, it needs major managerial change, every administration has to fight that battle.

But as you were asking your question, I thought on food aid and famine, on global public health, on nuclear proliferation and on peace keeping, we turn to the U.N. because that saves the American effort, an American dollars and American participation.

It's the institution that we created, so we got to stand by it, but we do have to be concerned about U.N. reform. And there are aspects about the U.N., I think Daniel mentioned one of them, they're objectionable to us and I think ambassador Hailey has been a very vigorous positive defender of American interest there.

CICILLINE:

Thank you ambassador. And I yield back the remaining 47 seconds in the spirit of making sure Mr. Deutch has enough time.

ROYCE:

The gentleman yields. The chair recognizes the gentleman from Florida, Mr. Deutch.

DEUTCH:

Thank you. Thanks to the chairman and Ranking Member for holding this important hearing. Every priority of this committee, every priority of our committee is threatened under the president's proposed budget. But I'm encouraged by what I've heard today from members of both sides who remain committed to defending a robust foreign policy and all pillars of that foreign policy.

In that vein, Mr. Chairman, I'd like to request permission to enter into the records a statement from Madeleine Abright, Stephen Hadley on America's role in the world which serves as a good bipartisan reminder of what's at stake in this discussion.

ROYCE:

Without objection.

DEUTCH:

Thank you Mr. Chairman. Simply put Mr. Chairman, the president's budget is an attack on the security of this country, and there should never be a debate between diplomacy and military strength, a debate between hard power and soft power. Everyone in this room knows that those priorities are all essential parts of unified whole.

Our development world makes the world a more prosperous, our humanitarian efforts creates stability and goodwill.

And our diplomats ensures that when the United States acts, it need never do so alone, all of these reduces the ranks of our enemies while creating a safer world for our allies and for our citizens.

When the United states is engaged abroad, it is less likely that we will need to fight costly wars overseas, and it is harder for a terrorist organizations to recruit individuals to attack us at home. All of these was true, when president Reagan argued that international systems would and, I quote, "Enable the United States to continue its contribution to the achievement of a secure and stable international environment." close quote.

It was also true when president George W. Bush said, and again, I quote, "That no national security strategy is complete in the long run without promoting global health, political freedom and economic progress," close quote. And it is true today.

Despite decades of bipartisan support for diplomacy and development, President Trump has decided to slash this funding with a staggering one third cut. If these cuts are not supported bipartisan politics then we're left to wonder, what is motivating them?

It cannot be the pursuit of national security because that's been ignored in the appeals of his own security of defense, the joint chiefs, the 121 retired generals and admirals that we've spoken about already today, who have argued that diplomacy and development are essential complements to a strong military.

It can't be a desire to make government more efficient because the president has tried to eliminate the overseas private investment corporation, and the U.S. trade and development agency. And a host of other initiatives that generate massive tax returns for tax payers, while advancing our interest abroad.

And it cannot even be an attempt to attack our deficit, because the president is proposing to spend every dollar that he cuts from the international affairs budget on other government programs.

If partisanship, national security and fiscal concerns aren't motivating the president to slash the foreign affairs budget, the only thing that can remain is ideology.

The president is a newcomer to foreign policy, but his closest advisors have pushed for years to see the United States retreat from the world even as they have celebrated the rising influence of countries like Russia. Put simply, the president's budget undercuts U.S. prestige and influence abroad.

And I look forward to joining with my colleagues to defend Americas leadership role in the world now and every time that the president and his team challenge it. Unfortunately, Mr. Chairman, I have a feeling that we will have plenty of opportunities to do just that.

Ambassador Burns, if you could just speak to the long term effects of how the President's positions in this budget are likely to affect our national security, long term effects on the readiness that state and AID and other foreign policy agencies if these cuts go through. My concern is that, it's not just a question of this year's budget, but that it will take years to undo the damage.

BURNS:

I agree with your statements, Congressman Deutch. The State Department, the men and women are trained over the course of a lifetime, and so we have to continually invest in them, it's good value. I worry about the trade policies of this administration that are giving an undue advantage to China in the Far East.

And I certainly worry about the inattention to the Russia problem, both Russia's interference in our election, but also Russian aggression in Eastern Europe. And Angela Merkel has stood up to Putin, I don't see President Trump doing that.

So, I think it is a problem ideology and I will just add something that was mentioned before; if someone in the white House, want to dismantle the Federal Government, the executive branch, and how hallow it out, it's going to make their foreign policy, our foreign policy ineffective. It's deeply -- that's the only explanation, now that we're in March 28th that I can figure out, for why we have no appointees in the State Department, this has never happened before.

DEUTCH:

I appreciate it. Thank you very much ambassador. Thank you Mr. Chairman.

ROYCE:

The chair now recognizes the chairman of the House Committee on Homeland Security, the gentleman from Texas, Mr. McCaul.

MCCAUL:

Thank you Mr. Chairman, I want to thank the witnesses. You know, General Mattis, and you may have heard this prior to me saying this, many times, but before the NSC meeting I stated that, quote, "If you don't fully fund State Department, then I need to buy more bullets."

And, you know, I've seen the combination of hard power and soft power play its role. And I think he's absolutely right about this. And when I have -- and I've been a student terror for many years dating back to being a federal prosecutor in doing counter terrorism. And that it always seems to breed, this ideologies seems to spread in areas that are underdeveloped.

Where there is poverty situations, where we have governments in chaos or where there is no government. We have basically failed states that become safe havens and then the terrorists go there, breed out of which external operations can be conducted. And I think that's the biggest threat we face as I look at the Homeland.

So these cut concern me, because of the impacts it will have on our diplomats ability on our soft power, to change that part of the world. And quite frankly the counter narrative is so important, that we can kill 50,000 ISIS as we have, and the caliphate, but we need to kill the ideology. And that I think is within the purview of the state department to do that.

And so my question is very simple, how will these cuts in your view, both of you, how will they impact our efforts in this conflict that we have against Islamist based terror?

PLETKA:

I don't think the cuts are going to be helpful, I think we established at the outset that soft powers is a key element to any strategy to defeat ISIS and to defeat Islamist extremism. I also think we need to look back over the last 15 years and recognize the strategies the state department has employed to defeat Islamist extremism have not been a huge success.

And that's why while we all stood up jumped up and down and said 30 percent is not an appropriate cut to the department of state giving the vitality of its role in fighting terrorism. Nonetheless, it is an opportunity to sit down and go back and see what is effective, what should be done, what works and what doesn't. And get rid of what doesn't in favor of what might work in the future with an honest look at all of our programs.

MCCAUL:

Yes, and I think that's a great point, we need to reform the state department's efforts in this area. And you're right, it has not worked very well, we haven't had a counter message that's worked effectively against the jihadists. And I think that you're absolutely right on point. Ambassador?

BURNS:

Mr. Chairman, when I worked for Secretary Powell, former military man, he felt very strongly -- and this is in the wake of 9/11, that we had to have a counter terrorist policy that was focused on exactly as you said, there's a military component, there's an intelligence, judiciary, but there's a diplomatic.

And I think the answer to your question, I would suggest would be, there are programs to combat the ideology and defeat it, and it takes a long time. That's state's responsibility in conjunction with the military.

And second, state is a coalition builder for the military, so you saw Secretary Tillerson convene 58 countries last week at the State Department against the Islamic State.

So we are in this with the military, and the budget that's been presented by the Trump's administration cuts the state department out, and I think of -- I want -- I favor an increase in military spending, but you got to have a balance here, and that's what's lacking.

MCCAUL:

Well, I think diplomatic power and particularly the Sunni Shiaa world. We have Syria, basically, as you know, it's a civil war that created this mess, that has led to the creation of ISIS. All of the - - hundreds of thousands of refugees, millions, and without the ability to resolve that political conflict, again, we can fire as many bullets as we want in that area but we're not going to get to a resolution of the underlying problem. Would you both agree with that?

PLETKA:

I don't think either of us are going to disagree with you, that is -- that is the key. But I think that it is vital that we understand how it is that we are going to combat this ideology effectively.

Because as you said, so far we have not had great success, we started ten years ago with ISIS and Al-Qaeda, ISIS not existing in Al- Qaeda in fewer than a dozen countries, we now have both in more than two dozen countries expanding as we speak. And so we absolutely need to focus on how it is that we're going to effectively combat this...

MCCAUL:

In closing, Mr. Chairman, if I can just add, I'd love that -- because my time expired for both you - - get your suggestions on how we can counter this narrative, and this ideology effectively, because we haven't done it, and now it's a global Internet phenomenon. That's not just to the caliphate, it is a global extremism issue. I yield back.

ROYCE:

Thank you. Dr. Ami Bera of California.

BERA:

Thank you, Mr. Chairman. Yes, I think we all agree that this is a dangerous budget. I believe America is a great nation, but this is not the budget of a great nation. This is not -- you know, great nations don't withdraw from the world. And if we just look at our history, post-World War II and

the second half of the 20th century, you know, the three pillars that you talked about, defense, diplomacy and development, you know, created a better world.

And Ms. Pletka in your opening comments, you said a world led by the United States is a better world, I absolutely agree with that. And I think most of the world will agree with that.

But the problem with this budget is it is not a budget that shows American leadership. And the problem is, if you withdraw from the world, other Nations are going to fill that void, and they won't necessarily share the values that we share. Again, this is a dangerous budget, on both sides of the aisle, we understand the vacuum that this will create.

You know, listening to our defense experts, our secretary of defense, our retired generals, they think this would be a mistake. And again that's the danger of this budget.

It disturbs me that -- this is my fifth year in congress, and every -- and it is my fifth year on the foreign affairs committee, when we discuss the state department budget, we have the secretary of state's doing the courtesy of sitting there and defending that budget.

The fact that we don't have any state department employee, let alone the secretary of state willing to defend this budget, I hope he does come before this committee, so we can ask him questions directly. In think, we as members of congress ought to be offended by that.

Look, we want to work with their administration, we want to maintain the strengths of the United States, and we're a great nation but we need a budget that reflects who we are. And not just soft power, but the moral power, of who we are as the United States. And that is not this budget, and that's the danger here.

You know if -- yes, every department across this government could use evaluations and they should on ongoing basis, evaluate each program, look for efficiencies, look for ways to return money to the tax payer or outdated programs, you know, should be faced out, nobody is going to argue with that. And that should be an ongoing responsibility of congress but also the heads of those departments.

But again, you know, doing things in a haphazard way as Secretary Mattis said, if we don't fund the State Department, then you're going to have to fund the military. And that is exactly what this budget does, and I think that is a dangerous mistake.

You know, Ambassador Burns, you looked at this, you know, I'll continue with Mr. McCaul's line of questioning, you know, we've had multiple hearings on ISIS and how best to combat it. Yes, we have to fight them over there, but clearly is the role of the State Department in countering some of the propaganda in using our broadcasting powers, working to use the Internet and social media in different ways and , you know, working hand in hand with our diplomacy.

And I believe this budget makes us more susceptible to threats here in the Homeland, makes us more susceptible to not defeating ISIS, and I'd be curious about your thoughts there.

BURNS:

I would just say I agree with Danielle Pletka when she said that the terrorism problems is worse than it was 10 or 15 years ago.

And so when we look ahead and we have to plant budgets with policy, we're facing another generation of a struggle against Islamic terrorist groups, Muslim terrorist groups in the middle east and in Africa. And you also inferred this, we're competing with China for influence in East Asia. We're competing with Russia in Eastern Europe, we are the great power and we don't want China and Russia to be in the ascendency, and we want to be effective and successful in the war against these groups.

You need to be active, and in fifth gear, and that means fully funding state and AID as well as the military.

BERA:

And I believe the rest of the world would prefer a world led by American values, as opposed to the other ideologies. You know, Ambassador Burns, you work for a diplomat, I don't know if you were at States post the Afghanistan conflict, initially when, you know, we defeated the Russians or the -- but what did we do, did we stayed there, did we help rebuild Afghanistan and what filled that vacuum.

BURNS:

Well, way back, we actually left Afghanistan.

BERA:

And what happened in the aftermath?

BURNS:

Well, then the Al-Qaeda took root and the Taliban made a partnership with Al-Qaeda. So that was a big strategic mistake of the 1980's and 1990's leading up to 9/11, we left.

BERA:

Well, let's make sure we don't make that same mistake.

ROYCE:

Lois Frankel of Florida.

FRANKEL:

Thank you Mr. Chair. Thank you to the witnesses for a very good testimony today. I would have liked to have Mr. Tillerson join you. Maybe another time Mr. Chairman. I think that if the secretary defends General Mattis was here, he probably would have agreed with a lot of these testimonies today, the need for diplomacy development and defense.

We are living in a world with a lot more danger and terror and decimating the State Department is I'd say respectfully not smart, dumb not smart. We should evaluate, I agree with that, refine possibly the trash, no. But I have another concern, we've heard today, criticism about vacancies.

As a member of Congress who happens to represent Palm Beach County, it's become obvious to me, and maybe to many of you, that the White House is running the States Department out of Mar-a-Lago.

The president in my opinion, sees himself as schmoozer in peace. He thinks playing golf at the Trump Golf Course or dinning the Prime Minister of Japan at the club at Mar-a-Lago is a substitute for let's say helping Japan after their earthquake.

And what really bothers is that the president actually profits from each visit to Mar-a-Lago, it's a private club, and since he's become president, the cost of joining this club has gone from a \$150,000 to \$300,000. People are paying money, to dine in the ambiance of world leaders.

And I think it was said here today a number of times that corruption at the very top around the world in governments has been the underpinning of a lot of these governments. And I ask the question, how does our president have the moral authority when he's profiting off of every foreign visits, he's asked the Chinese delegation coming next week, the Chinese delegation is coming to Mar- a-Lago next week. How does he have the moral authority to sit across the table from a world leader and say you got to keep it clean, you got to count the votes.

So I have a question, and here's my question to you. Could you just give me some examples of what you think how corruption has led to instability in this world, from your experience, maybe give some examples.

BURNS:

I think we've all said here today that corruption is endemic in parts of the world, we've seen it in Afghanistan, and we've seen it in Pakistan, we see it in China, we see it in Russia, in abundance in Russia. And so our country however flawed we are, and we're not perfect, we have to be immune from charges of corruption certainly in our leadership.

You also made an earlier point, I just want to say quickly, we want the president to be fundamentally involved in foreign policy. If the White House is strongly involved, it's not necessarily a bad thing. But the most effective administration, most people would say in the last 40 years was George H. W. Bush. He delegated to his Secretary of State James A. Baker III they were a team. And you want delegation to your major cabinets agencies, and right now it looks like the state department is not plugged in to the White House.

And I would hope that that could be fixed, and that Secretary Tillerson could be given broad authority.

FRANKEL:

Thank you. Mr. Chair, I yield back.

ROYCE:

We go now to Norma Torres of California.

TORRES:

Thank you Mr. Chairman, and thank you for holding this hearing. Before I begin with my questions, I would like for unanimous consent to be included in the record a letter from the American Academy of Diplomacy and the council for American Ambassadors stating, "We believe the proposed magnitude of the cuts to the state department budget pose serious risk to the American security."

ROYCE:

Without Objection.

TORRES:

Thank you Mr. Chairman. I think that we pretty much all agree that diplomacy and development are essential to advancing our national interest and protect our National Security.

As the co-chair of the Central America's caucus , I have been particularly involved in a Northern triangle of Central America. Many members of congress, both sides of the aisle have recognized that we have a strong national interest in Security, development and the rule of law in the Northern Triangle.

There has been bipartisan commitment to provide assistance to the region in support of the alliance for prosperity in the Northern Triangle.

Over the past two years, these countries have begun to see real progress in key areas. The United States has been a catalyst for change and has stood behind the efforts of Hondurans, Guatemalans and Salvadorians who are working to improve conditions for their constituents.

Especially the Attorney generals of all three countries have had excellence international partners as well as especially the international commission against impunity in Guatemala. And now the mission to support the fight against corruption and impunity in Honduras.

Ambassador Burns, what kind of negative effects could we see if assistance to these regions was sharply reduced.

BURNS:

Oh, I think it would be a great mistake, we have an integrated life with the countries of Central America, and Mexico as well as Canada.

And these programs in the Northern Triangle especially the fight against corruption, and the activities of our American ambassadors in trying to work with the governments in Guatemala and Honduras and other places, they're critical to us and critical to our security.

And I think the larger point here too is we cannot afford to have a troubled relationship with Mexico, and we got to straighten that as well. This is -- this is a key part of American power in the world is stability in Central America and North America.

TORRES:

I have been specifically impressed with the work of all three ambassadors, and the work that they have done to empower the people, you know, to work, to ensure that future generations have an opportunity to see a future for themselves in their home country. And not have to travel a thousand miles to get to our southern border to ask for refuge because their country is just too dangerous to see them grow into successful adults.

Ambassador Burns, you also mentioned that a possible 30 percent cuts to our counter-narcotics efforts abroad, how could -- how could that drastically -- how could drastically reducing the budgets for international narcotics control and law enforcement impact our efforts to combat corruption and strengthen rule of law. Specifically I want to hear how it would impact regional security, whether in the Caribbean or in Central America or at the border.

BURNS:

Excuse me, Congresswoman, one of my responsibility when I was undersecretary of state for Condoleezza Rice, was to oversee the bureau INL that conducts our counter terrorism our counter-narcotics, excuse me, programs.

I would be the first to say that United States has not always been successful in these programs, lots of problems over many decades, but it doesn't make sense to me to say since we've had problems, we should quit. We can't, we can't afford that, we can't afford it for the stability of the countries, Colombia or Central America, and we can't afford it for our kids who are victims of drug abuse.

TORRES:

Right.

BURNS:

And so I think they're very important to continue, we have a very fine leader Ambassador Bill Brownfield in INL right now, he's one of our best foreign officers. And a proposed 30 percent cut to that program is deeply concerning to me and many other people.

TORRES:

I'm very concerned about what is happening in Costa Rica and Panama, and what they are seeing in -- within the Atlantic Ocean with the increase of narcotics that are there from Columbia. Thank you and I yield back.

ROYCE:

Thank you. We go to Robin Kelly of Illinois.

KELLY:

Thank you to the witnesses and thank you Mr. Chair. I join my colleagues in expressing concern about the president's proposed skinny budget. Maintaining a robust diplomatic presence around the world is vital to U.S. vital interest as you know.

The new budget represents a total reduction of roughly \$17.3 billion or 31.5 percent from last year's budget. This reckless slashing of the State department and USAID limits America's influence and leadership in the world.

In the complex global world we are currently living in, we cannot afford to retreat into isolationism, cutting foreign aid is not only bad policy, it's also dangerous as you've heard.

Military leaders always talk about tacking problems left to boom, this is exactly what foreign aid accomplishes. Secretary Mattis has made clear that his strategy to defeat ISIS involves a strong partnership with the State Department. And as you know we have said in the past, if you don't fund the state department fully, then I need to buy more ammunition, we've said over it over and over.

Research has also proven the importance of aid combating terrorism, according to the RAND Corporation, the evidence since 1968 around how terrorism ends indicates that terrorist groups are almost never defeated as a result of a military campaign. Rather, most groups end because of operations carried out by local police, or intelligence agencies, because they joined the political process.

So Mr. Chairman, I ask unanimous consent this report be submitted into the hearing record. Our international affairs budget funds global diplomacy, development in governance programming, all of which go together to increase States capacity to negotiate peace processes, increased capacity of states police and justice systems and build healthy communities and civil society organizations that can sustainably build peace in their communities.

My question, Ambassador Burns terrorist organizations like ISIS have established foot holes in Iraq, Syria and Northern Africa.

How would cutting international aid affect your efforts to combat terrorism? And in your view, how did the state department and USAID complement the military's efforts to counter ISIS and extremist around the world?

BURNS:

Thank you Congresswoman, we need a -- we need a full U.S. government effort, our intelligence community, our military are obviously are on the front lines this. But as I suggested earlier, the state department is the organizer of our coalition against terrorist groups, Secretary Tillerson did that last week when he hosted the summit against the Islamic State.

And we also have these programs to try to combat the ideology of these terrorist groups, that takes time to work, and you -- I don't think you can expect instant results. And so we have to stick with this, and I suggested earlier, I just want to say, Secretary Powell had this universal view that every part of our government had to be involved. So we shouldn't take one part -- on part of the government out of the fight.

KELLY:

And then just as an a side, what do you think is the effect the secretary is not going to NATO or didn't go to NATO, I didn't know if someone asked you that?

BURNS:

My understanding is that there's now been an attempt to work out a different date, so that Secretary Tillerson as he should, should --- can be at the meeting with Xi Jinping in Mar-a-Lago, obviously he should be there, but that he can also attend the NATO foreign ministers meeting. I think that is a very good result and I'm very pleased -- congratulate Secretary Tillerson on that.

KELLY:

I'm glad -- I'm glad to hear that also. And the other things is my colleague mentioned that when he came here, he wanted to take away all foreign aid, and I'm glad to hear what he said. But I also agree with what he said, but also think we do need to take a close look at evaluating, how we're spending the money, and making sure we aren't wasting any money.

Because I think that no matter, Democrat or Republican that is, everyone is concerned, we want to make sure the money we're putting for is used very effectively. And I yield back the rest of my time.

ROYCE:

Thank you Robin. We go to Mr. Espailat of New York.

ESPAILLAT:

Thank you Mr. Chairman, let me first congratulate you Mr. Chairman and the members of this committee because of the short time that I've been here, this is perhaps the most important effort that I seek to speak in a way that we can reach a consensus. And I think that members from both sides of the aisle have expressed their interest in having a real budget for state department and for our men and women of the state department to do the work that's so important to our nation.

And I think it's important also for the American people to hear the negative impacts of cutting up the States Department, we have on all obligations abroad. As my colleagues and I have stated, throughout this year, and time and time again, Trumps budget is a threat to National security and is a threat to the interest of the American people.

This so called skinny budget which I call an anemic budget, prioritizes building border walls over diplomacies, diplomacies and housing the port. If Trump is serious about curving, quote/unquote, "illegal immigration," then we need to invest the root causes of child and family migration from Central America, particularly from the Triangle.

If Trump is serious about keeping Americans safe, then we need to listen to more 120 retired U.S. generals and admirals who have warn us that elevating and strengthening diplomacy and development alongside defense are critical to keeping Americans safe.

If Trump is serious about draining the swamp, then the president needs to release those tax returns, so that the American people can rest assure that his proposed budget does not conflict with investment abroad. The American people deserve to know who the presidents oversee partners are, who his creditors are, and where he has invested.

If Trump is serious about stopping the illegal drug flow, then we need to be investing more and more, not cutting back on programs like the Caribbean basic security initiative.

And finally, if Trump is serious about making America great again, then I urge all of my colleagues to reject this anemic budget, this budget gambles with American lives, and makes America's last.

As members of this committee, we've seen that making an investment abroad is not about charity, it's about keeping violence and hatred from America's shore. I hope the committee rejects his budget and will instead prioritize our commitments abroad, including investing in like for example, emergency preparedness in the Caribbean, the U.S. strategic engagement in Central America, funding for the Caribbean Basin Security initiative, investing in energy potential in many places throughout Latin America and the Caribbean, increasing funding for the United States Agency for International Development.

My question is to you Mr. Ambassador, I mentioned the issue of the tax returns, Mr. Trump's tax returns. And obviously if we adopt his budget, our diplomats will not have the necessary tools to be able to do their job efficiently and be able to determine whether in fact they are advocating for our diplomatic goals in objectives or in fact maybe pushing or looking to advance Trump's profits abroad.

Do you think that it is important that the tax returns are released so that we are able to have a diplomatic corps that's more transparent in the way they do business, the way they conduct diplomacy across the globe, and ensure that they are no conflict of interests with the Trump profit making machine.

BURNS:

Well, Congressman, I'm a foreign policy person, I normally don't express views on domestic issues. But as a citizen I would hope that the president would emulate all of his predecessors for many decades and release his tax returns.

I would also hope that there would be a foreign investigation of Russia's interference in our election, since to me there should be a bipartisan commission to do that now because of the breakdown of trust apparently in the house intelligence committee.

The last thing I'd like to say, is that the most disturbing part of the budget to me as a former career official is the explicit lack of faith in government. And I'll be the first to say that government is not perfect, we do have pay attention to reform. But trying to de-construct the government and hallow it out, it belies the truth that government can be an enormous amount of good in the world. And look at our great secretaries of states, and presidents, republicans and Democrats who built the liberal world order, they didn't fail, and we're not failing as a country.

I think that's the most disturbing part of this, I thought this is a slap in the face to our diplomats, this 30 percent cut.

ESPAILLAT:

Thank you Mr. Chairman, I think I have exhausted all my time.

ROYCE:

Thank you Mr. Espailat. Now -- We now go to go to Thomas Suozzi of New York.

SUOZZI:

Thank you Mr. Chairman, and thank you everyone for sticking around, I appreciate it very much and I appreciate your testimony and your expertise and the lives that you've devoted to this very important work that you do.

I think that we've heard so many people talk about why this cut is just so absurd and I don't that there's any -- there's very little disagreement, that this just doesn't make any sense. We've heard from people in the military, we've heard it from people of the diplomatic core, we've heard it from experts like yourselves, from policy experts, from Republicans, from Democrats, no one really thinks this makes much sense to cut this amount of money.

But I do want to ask the question, in every large organization, there's waste, fraud and abuse, there's things that don't work well, what would be your two best suggestions to save money in this area of the budget? And it's got to be worth, you know, it can't be six people or five people, it's got to be something big.

BURNS:

Well, I am biased, I served in the foreign service, I think we're so small, that somehow I think you can downsize the number of people in the civil and foreign service and be successful, I don't think it will work.

So, where can we look? If you're looking at the State Department, and the USAID, I think you have to look at the aid budget, and make sure that it is conditional, make sure that we're tough minded, we can't be all things to all people, I don't think we should have an aid budget in every country in the world.

We should be very selective as I think Dr. Krasner was suggesting, and if that's the question.

SUOZZI:

That's the question.

(CROSSTALK)

BURNS:

... savings in these two agencies...

SUOZZI:

So give me -- so is there a particular area of aid that you think would be a good place to cut? You're an expert, I'm not.

BURNS:

Well, I think that we have to look hard at some of the U.N. funding, I support many of the U.N. programs, but not all of them.

SUOZZI:

As do I but there's in efficiency and a need for reform there.

BURNS:

And there have been some problems in the conduct of some of these peace keeping missions, in Congo for instance. And so we have to be a tough internal critic of those programs that might save money, but more importantly might do some good as well.

SUOZZI:

You didn't think you're going to get that question from me, did you?

PLETKA:

No, I'm delighted, I'm delighted to answer it and to not have to hear about bullets again.

United Nations, we should -- we should reduce our assessment on peace keeping, we should try and use our leverage within the United nations to end some of the peacekeeping operations that have existed for longer than most of us have ever been alive. And are highly ineffective, and look at UNIFIL, UNSO, I could go on. I think that we should reduce our assessment to the United Nations and withdraw from some of the -- from the -- some of the sub organizations of the U.N. that don't serve our interest and in fact created solely to attack the state of Israel.

I think we should look at assistance programs, economic support funds, that go to -- and budgetary support which is basically cash handouts, they go to places like Pakistan, they go to Egypt, and yes. and economic support funds to Israel as well. Those are big chunk of money, they should be reassessed every single year.

SUOZZI:

So you think we should be looking at the U.N., Pakistan and Egypt and Israel. Those are the main places that you would...

PLETKA:

Those are the main recipient of our foreign assistance program. Jordan is in there as well, but I think there's a -- I think there's a much stronger case to be made that Jordan stands on the frontline, and is very supportive in a variety of ways.

I think our military assistance, our FMF to Israel should continue as the vast bulk of our assistance to Israel, and it serves as well as the state of Israel. But I think our economic support funds provided to Israel giving that the pro capital income of the state of Israel is higher than in certain sectors of the United States is something that we could revisit.

And I think that the Israeli government would be amenable to that.

SUOZZI:

I just want to say very strongly that when you look at the frontlines, I think Israel is really on the frontline.

PLETKA:

That's why I said the FMF should continue but do they need our economic support funds?

SUOZZI:

OK, well, thank you very much Mr. Chairman, thank you so much.

ROYCE:

Thank you Tom. I just would say in closing, I'd like to thank our witnesses for being here today, these are critical issues, I think congress needs to be fully engaged. I look forward to continuing to work with the members here as we seek to ensure that the international affairs budget is efficient and effective; and that budget reductions do not have unintended consequences for the security interest, and economic interest, and the humanitarian initiative of the United States.

So thank you very much to our panel. We stand adjourned.