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Chairman Ryan, Ranking Member Van Hollen, and distinguished members of the committee, good morning. On behalf Secretary Kerry and the diplomats and development at our 275 diplomatic posts around the world, thank you for your support and for inviting me to talk about the FY 2015 Overseas Contingency Operations request.

As Secretary Kerry has said, there is no longer anything foreign about foreign policy. Diplomacy and development matter more than ever to the lives of ordinary Americans. In addition to preventing conflicts – so we don't have to put our troops in harm's way – we are fighting for American businesses, stopping the spread of weapons of mass destruction, keeping our edge in science and innovation, assisting American citizens abroad, supporting our partners and allies, and honoring our values. Every day, the men and women at the Department of State and the U.S. Agency for International Development (USAID) are on the frontlines, often with our troops at their sides, tackling these challenges, seizing these opportunities, and protecting the American people.

The President's amended FY 2015 budget request of \$47.6 billion for State and USAID will provide these exceptional public servants the resources, training, and security needed to get the job done. The OCO portion of our budget—which enables us to address extraordinary requirements—is critical to this goal. The Administration first requested OCO for State and USAID in FY 2012, so that we could more responsibly budget for the extraordinary costs we were to incur in Iraq, Afghanistan, and Pakistan, as our military footprint changed.

As you know, while our country's wars are winding down, our engagement with the world is not. The diffusion of global power and the break-neck pace of change have only underscored the importance of American leadership and have increased the demands on the State Department and USAID. Since 2012, global events—from the Arab Spring, to the civil war in Syria, to Russian aggression in Ukraine, to extremist threats in Africa—have demanded urgent action to protect our national security. And such challenges – and opportunities – will continue to emerge.

The FY 2015 State/USAID budget request, as amended, includes \$7.3 billion for OCO. The majority of OCO supports the extraordinary costs to State and USAID resulting from the transition in Afghanistan and our work in Iraq and Pakistan. In particular, these resources are vital to our objectives in Afghanistan: disrupting threats posed by al Qaeda; supporting Afghan security forces; and giving the Afghan people the opportunity to succeed as they stand on their own. For Iraq, OCO funds will enable us to continue to stand with the people of Iraq as they fight terrorism and work to establish a democracy and a better future. The OCO request also

supports efforts to protect the Syrian people from the abuses of the regime, promote the conditions for a negotiated settlement, and respond to the humanitarian fallout through the provision of essential services, food, water, and medical care to those affected by the crisis, both within Syria and in neighboring countries.

On June 26th, President Obama submitted an OCO budget amendment, which includes \$1 billion for the State Department portion of the Counterterrorism Partnerships Fund (CTPF) to help keep America safer by improving our partners' core counterterrorism capabilities and addressing the underlying conditions for the recruitment of terrorists. The amendment also includes \$75 million for the European Reassurance Initiative to support our response to Russia's provocative actions in Ukraine and \$278 million to cover our costs for the new and unanticipated peacekeeping mission in the Central African Republic.

Of note, the President's FY2015 OCO request for State/USAID includes:

- ~\$4.3 billion for Afghanistan, Iraq, and Pakistan to continue our efforts to right-size our presence and programs, while protecting our national security interests there with investments in security, stabilization, economic growth, and good governance. Examples of specific OCO costs include the construction of temporary hardened facilities, perimeter walls, guard towers, and a greater number of highly blast and entry resistant doors and windows; an increased number of protective security details and facility guards; procurement of aviation assets and armored vehicles to provide secure transportation, including surge capacity resources for medevac services or evacuation out of country; and contracts for life support, logistics, and medical services, in order to provide food, fuel, laundry, utilities, maintenance, medical services, and other services that would normally be available on the host country economy. OCO funding in Afghanistan is also providing short-term stabilization efforts that provide employment opportunities for youth vulnerable to the insurgency and is bringing electricity to southern Afghanistan that is critical to revitalizing the local economy thus improving the lives of Afghans and increasing confidence in the government.
- \$1.1 billion for humanitarian needs as a result of Syrian crisis and \$155 million to continue State/USAID's non-lethal assistance to the Syrian opposition. These funds will support the provision of emergency medical care and medical supplies, emergency shelter, childhood immunizations, food, clean water, and other relief supplies.
- \$1 billion for the Counterterrorism Partnership Fund for capacity-building efforts in the Middle East, North Africa and the Sahel, the Horn of Africa/East Africa, and South and Central Asia. These efforts will help our partners to control their borders; investigate, arrest, prosecute, incarcerate and rehabilitate terrorists; identify and disrupt terrorist

financing; and counter terrorist narratives and recruitment. \$500 million of the fund is for the Regional Stabilization Initiative to provide targeted assistance to Jordan, Lebanon, Iraq, and Turkey as they manage the growing effects of the Syrian conflict, including spillover violence and economic and political instability, and provide complementary support to programs conducted with DoD funding for neighbors and Syrian opposition.

- \$75 million for State/USAID in the European Reassurance Initiative (ERI) to bolster security sector reform, improve force interoperability, and build capacity to address security challenges in Ukraine, Georgia, and Moldova.
- \$543 million to support peacekeeping activities, including funds to support the initial Peacekeeping Response Mechanism (PKRM), AMISOM in Somalia, and the UN Multidimensional Integrated Stabilization Mission in the Central African Republic (MINUSCA), which was authorized by the UN Security Council in April 2014.

Our base budget enables us to support ongoing operational needs, security partnerships, economic growth, health, and poverty reduction programs. The OCO request enables us to respond to frontline and immediate and extraordinary national security risks in a disciplined, transparent manner. We appreciate the consistent support from Congress for this approach and, in particular, we are grateful that this Committee has fully funded our OCO request in each Budget Resolution since FY 2012.

Whether we are talking about the Middle East or Europe or the Pacific, as Defense Secretary Chuck Hagel has said, America's strength "depends on all of our instruments of power working together. And it depends not only on how well we maintain and fund all of our instruments of power but how well they are balanced and integrated with each other."

As we developed the President's budget request, one fact remained front and center: with just about 1 percent of the federal budget, our investment in development and diplomacy has never been more vital to our national security, our economic prosperity, or our global leadership. For the American people – for the American taxpayer – this is a tremendous return for the relatively small investment we make in diplomacy and development, and we are grateful to the Congress for your continued support.

Thank you.