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AMERICA'S GLOBAL LEADERSHIP: WHY DIPLOMACY AND DEVELOPMENT MATTER

HEARING

BEFORE THE

SUBCOMMITTEE ON
OVERSIGHT AND INVESTIGATIONS

OF THE

COMMITTEE ON FOREIGN AFFAIRS
HOUSE OF REPRESENTATIVES

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AMERICA'S GLOBAL LEADERSHIP: WHY DIPLOMACY AND DEVELOPMENT MATTER

Wednesday, February 27, 2019

HOUSE OF REPRESENTATIVES
SUBCOMMITTEE ON OVERSIGHT AND INVESTIGATIONS
COMMITTEE ON FOREIGN AFFAIRS
Washington, DC

The committee met, pursuant to notice, at 2:02 p.m., in Room 2172 Rayburn House Office Building, Hon. Ami Bera (chairman of the subcommittee) presiding.

Mr. BERA. Before I gavel in and do my opening statement—this is all new to me. So but in my three terms in Congress and now my fourth term, I really have had the desire to try to work in a bipartisan way, especially when we approach foreign policy.

And I think we have been blessed to have the prior chairman, Ed Royce, as well as the current chairman, Eliot Engel, as our leaders and, historically this had been a relatively bipartisan committee looking at solving some of the issues and, it is certainly my desire and my intent, working with the ranking member, Mr. Zeldin, for us to approach this in a bipartisan way because, if you look at our history, America's soft power but America's diplomacy and development really has been incredibly important to how we have shaped the world and I would argue that we have shaped the world for the better.

I also, when I think about the members on this committee, both in the majority and the minority, you look at the quality of the membership and the number of veterans, including the ranking member who currently, I believe, still serves in the Reserves, bringing that experience to have a senior diplomat like Mr. Malinowski, to have a refugee who understands that experience, like Ms. Omar, and to have folks that either came here as immigrants or are children of immigrants.

I think that breadth of knowing what the American experience is and, hopefully, will bring that spirit to who we are on this committee. And, again, I could not be more honored to have the privilege of chairing what I think is going to be a very important committee on oversight. So——

Mr. ZELDIN. Thank you, Mr. Chairman, and it has been a privilege over the course of the first couple months here of the new Congress with this new subcommittee.

In conversations and meetings with the chair I could certainly confirm his desire, his strong interest, in bipartisanship. That certainly will result in a stronger product coming out of this committee. It helps empower the full committee and I think bipartisanship is something for all of us to be very proud of.

So thank you to Chairman Bera for setting the right tone, and with regards to his priorities coming out of the gate I am confident that at the end of this Congress a couple years from now, a year and a half from now or so, we are going to be able to have real product, maybe in legislative form, maybe through oversight, that will help strengthen America.

So I look forward to serving with you and all the other members of this committee, and I yield back.

Mr. BERA. So the hearing will come to order.

This hearing, titled "America's Global Leadership: Why Diplomacy and Development Matters," will focus on why the State Department and USAID are critical to the success of our country, our foreign policy, and how Congress can ensure that they thrive.

Without objection, all members may have 5 days to submit statements, questions, extraneous materials for the record subject to the length limitations in the rules. I will now make my opening statement and then turn it over to the ranking member for his opening statement.

Good afternoon. I want to welcome all the members to this first hearing of the Oversight and Investigations Committee. Chairman Engel reestablished this subcommittee to strengthen Congress's oversight of the executive branch and reassert our authority in foreign policy.

This subcommittee will work closely with the full committee and other subcommittees to exercise our role, and as we heard this morning from Secretary Albright, it is her belief and I think it is all of our belief, as I listen to the questions and testimony of members on both sides, that foreign policy best is done in a bipartisan way and that the best foreign policy at our best is when the executive branch is working closely with the legislative branch in partnership, sending a singular message to the world so there is no ambiguity to our allies and others, and I think, as we mentioned earlier, that really is a goal and I would like to acknowledge the partnership that I think we will have with the ranking member, Mr. Zeldin, from New York.

To begin with, as we look at Article 1 and, again, Secretary Albright said now is the time for Article 1 to really reemerge.

It really has far too long under both Democratic and Republican administrations Congress has allowed oversight to falter and more and more of our ability, really, has shifted over to the executive branch both under Democratic administrations and Republican administrations and I think this is our opportunity to re-exert that oversight and start bringing things back to what we should be doing.

With that, if I look at our history as the United States, particularly in the post-World War II history as we looked at the three pillars of defense but also diplomacy and development, our foreign policy and our approach to the rest of the world really did make the world a better place.

And I know Mr. Natsios in his opening comments will talk about the Marshall Plan and the remarkable work that we did rebuilding Europe, rebuilding Japan, going and protecting Korea and the miracle that is the Republic of Korea today.

And you would rightfully argue that our presence around the world—the American presence—leading with our values and leadership in the 70 years post-World War II made the world a better place, made the world a safer place, made the world a more democratic place.

But I think we can also, as we think about the purview of this committee over the next 2 years, we understand that the world has changed. It is a different place today.

You see it is not a given that the democratic model of our values will rule the 21st century. You see more autocratic leaderships—the rise of China, the reemergence of Russia.

You also see the failed States, the terror States that are—have to be approached in a very different way than we may have approached a cold war with the Nation State and this is an opportune time for us to take a step back, take a deep dive into where America's diplomacy is today, where America's development is but then also come out of this thinking about where we need to go.

And this committee is Oversight and Investigations and we will use the tools that we have available to investigate where we are today.

But that would be only half the battle if we did not actually try to come out and present to this administration or the next administration and then this secretary of State or the next secretary of State a roadmap of where we think we could go to continue to lead the world both with our soft power and hard power and, again, there is no reason that this next century cannot be an American century because the last century certainly was an American century.

And with that, I would like to thank both Ms. Higginbottom and Mr. Natsios for joining us and I will turn this over to my esteemed colleague, Mr. Zeldin, the ranking member.

Mr. ZELDIN. Thank you, Mr. Chairman. This is the first hearing of the Subcommittee on Oversight and Investigations. I look forward to working with you on bipartisan priorities we both share.

This hearing is, certainly, the first step. We both believe in American leadership and Congress's role in oversight and investigations.

I wanted to extend my thanks to today's two witnesses for being here today to discuss the importance of American foreign policy, aid, and development around the world.

There is no question that targeted and measured foreign aid and level-headed diplomacy further American national security, business, and humanitarian interests.

Today, we are not here to question this consensus but, rather, examine the tools and resources used in these endeavors in an effort to ensure they are the most effective and efficient means possible.

Too often, we have witnessed programs with good intentions originally established to forward American values and improve the lives of those around the world go off the tracks and it is our responsibility as the Oversight and Investigations Subcommittee to monitor these programs and help correct course when necessary.

For example, and given the backgrounds of our two witnesses and I am here with Congressman Perry, who has joined us, I will touch on the stated mission of the previously U.S. taxpayer-funded

United Nations Relief and Works Agency, also known as UNRWA, which has a mission to provide humanitarian support for Palestinian refugees in Jordan, Lebanon, Syria, and the West Bank and Gaza.

The education of children, especially those in war-torn areas, is a noble mission. But over the past 6 years, UNRWA and the State Department have failed to provide Congress with an accurate picture to implement oversight measures by deliberately withholding information and certain reporting requirements and we recently found out why.

In a recently declassified portion of a GAO report, we learned that the textbooks in the educational program of UNRWA were delegitimizing Israel and that supplementary material to counter this textbook content that promotes anti-Semitism, paid for with American tax dollars was being rejected on the ground.

The underlying mission of foreign aid programs like UNRWA is critical. But holding them to that mission and ensuring its funding goes to furthering that goal may be even more important.

U.S. foreign aid should be an investment, building a strong foundation with our allies. However, providing economic assistance to the Palestinian Authority, which supports a "pay-for-slay" program to financially reward terrorists for killing innocent Americans and Israelis is in direct violation of this ideology.

Last Congress, the Taylor Force Act was passed and signed into law. It withholds economics assistance to the Palestinian Authority until it publicly condemns these acts of violence and stops inciting and rewarding the terrorists who perpetrate these horrific crimes, therefore protecting the innocent Americans and Israelis and better allocating these limited foreign aid resources.

The United States must support aid programs that promote the interests of our Nation and, therefore, of our allies. For example, foreign aid that promotes good governance in a country like Venezuela is a proud show of what an important investment this funding can be.

There are so many different examples all across the entire map for the entire world that this committee can get into. Just touching on a couple of examples there, but I am sure we will hear a lot more over the course of today's testimony with our two great witnesses.

There should be an integrated policy approach to aid and diplomacy in which we leverage greater influence per aid dollar. We must employ greater accurate oversight and accountability internally within the State Department as well as over these foreign assistance programs ensuring those utilizing U.S. funding are better aligned with our Nation's values.

We need to examine whether the millions of dollars we give to multilateral agencies serve our needs and whether they continue to maintain the high standards Americans would expect.

We need to share the burden so that we can offer the opportunity for other regional actors to contribute as well. Are there administrative efficiencies we could implement to make our dollars go farther? How can we improve transparency and accountability in a manner that does not hinder development efforts?

These are the questions I hope our witnesses will address. Thank you both again for being here and I look forward to your statements.

I would like to thank our subcommittee chairman, Mr. Bera, full committee chairman Mr. Engel, and lead Republican, Mr. McCaul, for their leadership and assistance on these issues.

I yield back.

Mr. BERA. I will now introduce the witnesses.

As I stated earlier, you know, Ms. Heather Higginbottom is the chief operating officer of CARE USA, one of the world's largest humanitarian organizations. She served as deputy secretary of State for management and resources in the Obama Administration.

Andrew Natsios is currently the director of the Scowcroft Institute at Texas A&M. He served as the thirteenth administrator for the United States Agency for International Development.

Thank you both for being here, and with that, Ms. Higginbottom.

STATEMENT OF MS. HIGGINBOTTOM, CHIEF OPERATING OFFICER, CARE USA, FORMER DEPUTY SECRETARY OF STATE, MANAGEMENT AND RESOURCES

Ms. HIGGINBOTTOM. Chairman Bera, Ranking Member Zeldin, and distinguished members of the committee, thank you for the opportunity to testify as you work to make the State Department and USAID more effective and more efficient. I have edited my remarks for time and ask that my full statement be included in the record.

Mr. BERA. And without objection, your full statement—written statement will be part of the record. Thank you for reminding me that I was supposed to do that.

Ms. HIGGINBOTTOM. For the last 6 years, first as deputy secretary of State for management and resources and currently as CARE chief operating officer, I have had the privilege of seeing American diplomacy and development in action and the responsibility of thinking about how to strengthen it.

With just about 1 percent of the Federal budget, the United States gets no better return on its investment than the work of our diplomats and development professionals which saves millions of lives, builds stronger economies, and creates a safer world.

Mr. Chairman, I know that it has never been popular to invest money overseas. President Reagan acknowledged that, quote, "Foreign aid suffers from a lack of a domestic constituency."

The very DNA of care is a daily reminder that Americans have always stepped up to address global challenges. Seventy-three years ago, a small group of Americans joined forces to create the first ever CARE packages for starving survivors of World War II.

Today, instead of delivering aid in a box, CARE works to address the roots of poverty using proven tools to empower women and girls and help entire communities create long-term prosperity, stability, and resiliency.

We are here today to focus on what we can do better. But we should not lose sight of what the U.S. already does so well and I saw it firsthand in 2014 as the Ebola outbreak in West Africa threatened whole countries.

American leadership made the difference. Working with partners in a coordinated, rapid, innovative way, we brought every tool we

had to bear from deploying civilian health and development experts to engaging our military and Border Patrol agents.

We work with Congress to provide resources, pharmaceutical companies to develop a vaccine, manufacturing companies to make protection suits for health workers, and we galvanize partners to build an aircraft to evacuate patients with infectious diseases.

As a result, Ebola was contained in West Africa and in our interconnected world where a disease knows no boundaries we should be building upon, not weakening, instruments of diplomacy and development.

The U.S. is a catalytic leader and what we do encourages other countries to act, and it is why over the past 25 years the number of people worldwide living in extreme poverty has been halved as has the number of women dying during pregnancy and the number of children dying before their fifth birthday, and this has been a bipartisan effort across Republican and Democratic administrations.

Despite these clear results, the president's budgets for Fiscal Year 2018 and 2019, and we fear once again in Fiscal Year 2020, have proposed slashing foreign assistance by 30 percent, jeopardizing countless lifesaving programs.

We appreciate that Congress has rejected these cuts, but there has been damage done due to uncertain funding levels and time lines, the threat of recisions packages, and government shut downs.

Just earlier this month, we came days away from halting a Food For Peace program in Haiti that supports 100,000 chronically poor households. We are very grateful to our USAID colleagues who managed to release funds at the eleventh hour.

But when lives are on the line we cannot afford crises of our own making. To be sure, the State Department and USAID are not perfect institutions. The 2015 Quadrennial Diplomacy and Development Review, which I oversaw, contains many recommendations to make these institutions more efficient and more effective. I will highlight just three.

First, the currency of the State Department is information and relationships, and yet there is no enterprise wide system for organizing, collecting, and sharing information.

Second, better utilization and expertise in data analytics, science, and technology is essential, and the siloed natures of both the State Department and USAID mean that crosscutting analysis and engagement is often unavailable.

Third, performance management and strategic planning at both agencies should be strengthened and collaboration and communication across agencies should be enhanced.

As the history of the CARE package shows, often the best way to combat fragility, address poverty, and prevent mass displacement is by harnessing the generosity and talents of the American people in partnership with communities around the world.

This work, backed by continued American engagement and diplomacy in development, is essential to building a future worth having for ourselves, our children, and our neighbors around the world.

Thank you very much, and I look forward to answering your questions.

[The prepared statement of Ms. Higginbottom follows:]

TESTIMONY OF CARE USA CHIEF OPERATING OFFICER HEATHER HIGGINBOTTOM
HOUSE COMMITTEE ON FOREIGN AFFAIRS
SUBCOMMITTEE ON OVERSIGHT AND INVESTIGATIONS
FEBRUARY 27, 2019

Chairman Bera, Ranking Member Zeldin and distinguished members of the Committee, thank you for the opportunity to testify, as you work to make the State Department and USAID more effective and more efficient.

For the last six years, first as Deputy Secretary of State for Management and Resources and most recently as the Chief Operating Officer of CARE USA, a global humanitarian and development organization working in over 95 countries that reached 56 million people last year, I have had the privilege of seeing American diplomacy and development in action, and the responsibility of thinking about how to strengthen it. I can say categorically that, with just 0.19 percent of gross domestic product to fund development aid and a State Department budget that is less than 5 percent of the military's, the United States gets no better return on its investment than the work of our diplomats and development professionals which saves millions of lives, builds more prosperous and stable economies and as a consequence creates a more safe and secure world.

Mr. Chairman, I know that it has never been popular to invest money overseas. President Reagan acknowledged that "foreign aid suffers from a lack of a domestic constituency." But stamped in the very DNA of CARE USA is a daily reminder that Americans have always stepped up to address global challenges, since after all we were founded 73 years ago when a small group of Americans joined forces to create the first-ever CARE packages for starving survivors of World War II. They made good on the audacious notion of an America that would help feed those we had only recently defeated on the battlefield, and in so doing help secure a stable and prosperous Europe as an ally and partner. Today, instead of delivering aid in a box, we work with partners, including governments, to tackle at the roots of poverty, with a focus on empowering women and girls, using sophisticated tools and resources to help entire communities create long-term prosperity, stability, and resiliency.

We are here to focus on what we can do better, but we should not lose sight of what the United States already does better than any other country in the world. I saw it firsthand in 2014 as the Ebola outbreak in West Africa threatened whole countries and governments. American leadership made the difference. Working with partners in a coordinated, rapid, and agile way, the United States brought every tool we had to bear, including deploying our military, experts from the Centers for Disease Control and the National Institutes of Health, diplomats at the State Department, development professionals from USAID, and Customs and Border Patrol agents screening passengers entering the country. The Obama Administration worked with Congress to provide resources, with pharmaceutical companies to accelerate vaccine development, with manufacturing companies to swiftly develop Ebola protection suits for health workers and we galvanized a group of partners to build the first aircraft specifically designed to evacuate patients with infectious diseases.

As a result, Ebola was contained in West Africa. I cannot tell you precisely how many tens of thousands of lives this effort saved. But I can tell you that this year, when I joined Chairman Bera and Congresswoman Torres on a trip to Sierra Leone, we visited a tiny village which had endured the deaths of a third of the population and where complete collapse had once seemed inevitable, and there I heard the most powerful endorsement I could ever imagine for American leadership in the world. The village is named Kombrabai, but we met many residents who now call it something else: "Sierra Leone's American Village."

Mr. Chairman and Mr. Ranking Member, I regret enormously that the current Administration has proposed to rescind funding for the Global Health Security Agenda to combat infectious disease around the world, and has not marshalled an effective response to the current Ebola outbreak in the Democratic Republic of Congo. In today's interconnected world, where disease knows no boundaries, we should be doubling down on, not weakening, effective, modern, and innovative implementation of diplomacy and development. History tells us, we pay a little now, or we pay a lot later.

The United States has always been a catalytic leader. Our actions and responses encourage other countries to act and provide their own support. It is why, over the past 25 years, we have cut in half the number of people worldwide living in extreme poverty and with it slashed in half the number of women dying during pregnancy and children dying before their fifth birthday. It has been a bipartisan consensus, most notably through President Bush's efforts to combat HIV/AIDS through the Global Fund and PEPFAR. But despite these clear and well-documented results, the President's budgets for FY18 and FY19 – and we fear once again in FY20 – have proposed slashing foreign assistance by 30 percent, cutting to the bone and even amputating programs that provide emergency food aid, alongside dramatic cuts to the Global Fund, PEPFAR, and efforts that build resilience, like Feed the Future.

We are grateful that Congress has rejected these cuts, but damage has already been done. Uncertainty around funding levels and funding timelines is setting us backwards. Whether through proposed budget cuts and rescissions packages, multiple government shutdowns, or prolonged finalization processes in both Congress and the Administration, planning by both NGOs and USAID Missions can only progress so far and funds have sometimes had to be transferred on-the-fly to "keep the lights on" while waiting for Congressionally approved funds. Critical development programs have come within days of closure due to funding interruptions and delays.

Does it have a real impact? Absolutely. Earlier this month, more than two weeks after the end of the shutdown, critical funds for some Food for Peace programs were stuck in the pipeline, jeopardizing food assistance programs around the globe, including for CARE's Kore Lavi program in Haiti, which provides food and nutrition assistance for one hundred thousand chronically poor households and hundreds of local businesses, many of which are women owned. We were almost forced to halt this vital program, putting vulnerable families at risk and incurring significant wasteful stoppage costs, just as several urban centers around Haiti were plunging into a state of political unrest. Our USAID colleagues managed to release the needed funds at the 11th hour, but when lives are on the line, we can all do better than this kind of "close call" crisis of our own making.

None of this is to say that the State Department and USAID are perfect institutions that should not change. The biggest demands for innovation and reform I heard while I served at the State Department came not from the outside, but from within --- from talented, committed foreign service officers and civil servants who wanted to see their institutions modernize. They want to see structures and support evolve over time to accommodate changes in demographics, technology, and to make adjustments based on analysis and evaluation of the organization's performance.

I would suggest three big priorities stand out the most.

First, the currency of the State Department is information and relationships, and yet, there is no enterprise-wide system for organizing, collecting and sharing information. Particularly within an organization that depends on staff rotating assignments every two- to three-years, this is inefficient and wasteful. As complicated as it may be, implementing that reform should be an urgent priority for this Administration, as it was for Secretary Kerry.

Second, better utilization and expertise in data analytics, science and technology is essential. The siloed nature of the State Department and USAID mean that cross-sectional analysis and engagement, as well as cross-cutting data analysis, is often unavailable. Both agencies should deepen data transparency and more effectively use data and analytics, including piloting the use of new technologies, to help identify trends and better integrate data into strategic thinking and planning through scenario-based and predictive models.

Third, performance management and strategic planning at both agencies should be strengthened and, in particular, joint planning should occur between relevant bureaus to guide priority setting and resource allocation and enhance collaboration and communication. Currently, State and USAID have separate strategic planning processes, which operate on different timeframes, leading to confusion and inefficient use of resources in country. While there are necessary distinctions between the missions of each agency, there is no reason representation and resources cannot be better coordinated, planned and executed in any given country.

There are many more recommendations in the 2015 Quadrennial Diplomacy and Development Review which I oversaw and that I would be happy to speak to, but these three recommendations are among the most critical.

I would be remiss if I did not share one other perspective which mattered to Secretary Kerry and was shared by his successors, albeit implemented in very different ways: the answer to every problem is not a special envoy. We eliminated a number of these positions that had outlived their use or better belonged in bureaus. Sometimes envoys are a good idea, to lift up new priorities or to galvanize whole of government action, as it was to destroy ISIL. But all of us, including Congress, serve our long-term interests by thinking about how to solve problems not just how to create new offices that pull expertise and resources out of the bureaus that need them, and too often pull responsibility away foreign policy career professionals in perpetuity.

This is a difficult moment in the world. More than a quarter of the world population lives in fragile states, the places that too often spiral into civil war and chaos, forcing hundreds of thousands of people to become refugees.

As the history of the CARE package shows, often the best way to combat fragility, address poverty and prevent mass displacement is by harnessing the generosity and talents of the American people in partnership with communities around the world. This work, focusing on women, girls, and other vulnerable populations, and backed by continued American engagement in diplomacy and development, is essential in building a future worth having for ourselves, our children, and our neighbors around the world. We retreat from this work at our own peril.

Thank you very much. I look forward to answering any of your questions.

STATEMENT OF MR. NATSIOS, DIRECTOR OF THE SCOWCROFT INSTITUTE OF INTERNATIONAL AFFAIRS & EXECUTIVE PROFESSOR, GEORGE H. W. BUSH SCHOOL OF GOVERNMENT AND PUBLIC SERVICE AT TEXAS A&M UNIVERSITY, FORMER ADMINISTRATOR, UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

Mr. NATSIOS. Thank you, Mr. Chairman, Ranking Member, and members of the committee. I want to thank you for the opportunity to speak today on the importance of foreign aid programs.

My comments today are my own. I am not representing Texas A & M Univ. the Bush School of Government and Public Service at Texas A&M.

Since World War II, the United States foreign aid programs have played a leading role improving the livelihoods of the world's poor, cultivating good governance and democratic practice, protecting human rights, and accelerating economic growth.

We are living through the greatest golden age in civilized history for the common people of the world. The reason I say that is based on the statistic that Ms. Higginbottom here just mentioned.

There has been a dramatic improvement in the lives of the poor. Ninety percent of the population a hundred years ago in the developing world was poor. In fact, there was not even a developing world; there were colonial empires a hundred years ago.

But that has dramatically shifted. The number of poor people has dramatically declined. The number of democracies, until recently, has been on the rise. Certainly, there have been terrible abuses of human rights. I know this firsthand: I was in the center of the Rwandan genocide. I was there when Darfur took place. I like to think we blew the whistle in USAID about what was happening in Darfur before anyone else even noticed what was going on. But the fact is that people did not even know what human rights were a hundred years ago. They did not use those words, and there were no institutions protecting human rights.

We have made enormous progress and we are living through it, but we do not see the forest from the trees. We do not see what things were like 200 years ago, or 300 years ago, when a life expectancy of 40 years was regarded as long.

The Marshall Plan was our first organized, systematic effort to extend American humanitarian power abroad in a lasting way. We had carried out humanitarian efforts before: Herbert Hoover ran the greatest food aid program in world history during World War I and its the immediate aftermath. But that was a temporary program. By the way, Hoover also went into Russia in the middle of the Great Famine after Lenin took over. It is a very interesting story regarding how he prevented the central government from manipulating the food aid at that time. The same problems we have now concerning the manipulation of food aid took place in Russia in the early 1920's. Hoover simply told Lenin that the U.S. would leave the country if he did not stop interfering. We would not distribute food on a political basis. It will only be done based on need.

That is one of the hallmarks of our aid programs, particularly in humanitarian assistance and in health programs. We distribute aid based on need.

Now, I understand some aid has to be distributed to our allies—economic aid, that sort of thing. But when it comes to the survival of people, including women, and children, and noncombatants, we need to focus on aid distributed based on need, not based on interest.

USAID helped the United States win the cold war more than most people realize, even within USAID. For example, in South Korea there are amusing stories regarding how intrusive USAID was in the Park government in terms of forcing reforms. The same thing happened in Taiwan, in Indonesia, and in Thailand. In Greece and in Turkey in the early 1950's after USAID encouraged reforms Stalin worked to destabilize both countries in the late 1940's.

We have had remarkable successes in countries that were extremely poor and are now developed countries in Latin America, in Asia, and, more recently, Africa.

One of the greatest success stories—my favorite—is the Green Revolution. That was an effort started by Dr. Norman Borlaug, who was a professor at Texas A&M later in his life; we have a Borlaug Institute for International Agriculture there. The Green Revolution doubled yields in Asia at the same time that Mao was killing 45 million Chinese through the Great Leap Forward Famine, USAID's work increased and contributed to a dramatic decline in famine in Asia.

In fact, a study has been done on the topic. The book is called "Mass Starvation" by Alex de Waal and it came out last year. Alex de Waal is a good friend of mine, he teaches at Tufts. In the book, he says that with the creation of the international humanitarian response system, there has been a massive decline in the number of famine deaths, since 1980.

He traced famine deaths from 1870 until 2010. So, we have empirical evidence showing that starvation deaths and famines have massively declined at the same time that this international response system was set up.

Now, I have mentioned in my paper four challenges. I am running out of time now so I cannot go into them, but they are the forced displacement crisis, the pandemic disease risk, the risks posed by fragile and failing States, and food price volatility (which was a major factor in the uprisings in the Arab world). People said it was the Arab Spring. It was not a spring. It has been a nightmare in Syria, Yemen, and Libya in particular. There is a direct connection between food price increases (which make people hungry when theye cannot afford the food)—and political uprisings. The evidence—empirical evidence from political scientists and scholars—is very convincing in showing that there is a direct relationship.

There are three things I propose in my testimony that we need to do to address these challenges. First, we must decentralize back to the USAID missions. The reason we were successful in the Cold War is that the mission directors (and, I might add, our Ambassadors) had far greater discretion to carry out policies and programs at the country level than we do now. Everything has been centralized over the last 30 years, and it is not helping things be-

cause we, in Washington, are separated from the reality of what is going on in these countries.

Second, we need to deregulate USAID. USAID is overburdened with the regulatory requirement that have been imposed on it in order, supposedly, to reduce abuse. These reporting requirements do not reduce abuse. They just generate a huge amount of paperwork. The abuse still takes place anyway, and it costs USAID a lot of money to fulfill these reporting requirements.

The third proposal is consolidation of programs. Having USAID programs at 18 different Federal agencies is very unwise.

Those are the three reforms that I propose at the end of my written testimony.

Thank you very much.

[The prepared statement of Mr. Natsios follows:]

Testimony of Andrew S. Natsios, Professor
George H.W. Bush School of Government at Texas A&M University
House Committee on Foreign Affairs
Hearing on February 27, 2019
"America's Global Leadership: Why Diplomacy and Development Matter"

Mr. Chairman and members of this committee, I thank you for the opportunity to speak today on the importance of foreign aid programs. My comments today are my own; I am not representing the George Bush School of Government and Public Service at Texas A&M University.

Since World War II, the United States' foreign aid programs have played a leading role in improving the livelihoods of the world's poor, cultivating good governance and democratic practice, protecting human rights, and accelerating economic growth. This country has shared its wealth and technical expertise to boost the economic and social development of lagging nations. However, our aid programs are also – and have always been –a critical part of our overall foreign policy and national security objectives. The Marshall Plan launched in 1948 aimed to rebuild war-torn Europe and revive its economies (goals it achieved quite successfully), but it also served to prevent the spread of Communism and to enable European economies to be trading partners for the United States. Similarly, when President Truman announced his Point Four plan in 1949, a technical assistance program to share American expertise with developing countries in the areas of agriculture, industry, and health, he aimed to attract developing countries to the U.S. sphere of influence and prevent them from joining the Communist bloc.

The U.S. aid program continued to play an important role in foreign policy as it developed in the second half of the century into an important tool for containing the Soviet threat. Just one month after East Germany began construction of the Berlin Wall, Congress passed the Foreign Assistance Act, which established USAID. Shortly thereafter, Fidel Castro announced his embrace of Marxist-Leninist ideology and alliance to the Soviet Union. President Kennedy responded by announcing the Alliance for Progress, a program to increase economic growth, improve living standards, and promote democracy throughout Latin America. Many of the career staff at USAID during this era of containing the Soviet threat were the same individuals who had carried out the Marshall Plan.

After the Korean War, the USAID program expanded its work to Asia. It is in this context that the "Green Revolution" became a dominant focus of its programming. The Green Revolution - a term first used in 1968 by former USAID Administrator William Gaud - describes the advances in agricultural yields through development and dissemination of new technologies, including high-yielding and drought-resistant crop varieties, fertilizers and pesticides, irrigation, and new cultivation methods. Norman Borlaug, who developed an improved wheat variety and is considered the father of the Green Revolution, is credited with saving over one billion people

from starvation. (He taught at Texas A&M University in his later years, home of the Norman Borlaug Center for International Agriculture.) Dr. Borlaug won the Nobel Peace Prize in 1970 for his work.

In the 1960s and 1970s, USAID devoted a large share of its budget (in some years, well over 50%) to agricultural programming. This included establishing research institutes around the world to develop crop varieties suitable to particular environments; this work continues today under the Consultative Group for International Agricultural Research (CGIAR). CGIAR has now become an umbrella organization for 15 research centers around the world with specific foci, including particular staple crops (potatoes, rice, wheat, and maize), livestock, and agricultural innovations for particular climates (e.g. semi-arid, tropics). USAID has been and continues to be the largest funder of the CGIAR research centers, which continue to innovate to improve yields and farmers' livelihoods. The Agency founded 63 agricultural universities in 40 countries –most of them partnered with top U.S. agricultural schools –geared toward researching the specific agricultural issues of their environments. Additionally, Green Revolution programs worked to build local capacity for agricultural extension services, and supported policy-level change (for example, strengthening land rights to improve farmers' economic incentives to adopt new production methods). During this time, staple crop yields more than doubled.

These programs were far-reaching: from India and Taiwan to Brazil and Mexico. USAID placed special focus, however, on politically unstable Asian countries that U.S. policymakers feared would fall to Communism. In the late 1960s, USAID agricultural experts were sent to Vietnam. They offered technical training to farmers in an effort to boost the appeal of farming and reduce the incentives to join the Viet Cong. The Green Revolution produced transformative development results: gains in agricultural yields freed labor for industrial jobs, pushing many Asian economies that benefited from USAID agricultural assistance - such as South Korea, Thailand, Indonesia, and Taiwan - to an impressive level of economic development. At the same time, it played a key role in America's foreign policy objectives.

Aid must continue as a tool in our government's arsenal for fighting the threats America and its allies face today. These include four major crises:

- **The largest forced migration crisis** since World War II: there are currently 68.5 million people forcibly displaced, either as refugees or within their own countries as IDPs. Disenfranchised youth in refugee or IDP camps are at risk of being recruited into organized crime and terrorist networks.
- **Pandemic disease**: The increasingly globalized economy and fragile medical supply chains raise the threat of infectious disease and pandemics. In 1918, the Great Influenza killed nearly 5% of the world population, or 90 million people, and a similar tragedy threatens us today. Such a crisis would shatter the world economy, shut down air transport, and cause widespread public panic.

- **Fragile and failing states**: The number of countries with weak state legitimacy or capacity to meet their responsibilities to their citizens is on the rise. After an increase in the number of fragile and failing states at the end of the Cold War, the incidence of these state crises began to decline. Today, the uptick threatens repression and humanitarian crisis for many of the world's citizens, which will continue to worsen the refugee crisis.
- **Food price volatility**: The global food production and delivery system, which feeds a world population of 7.5 billion people, is dependent on free trade, free markets, open seas, and innovations in plant breeding. These systems are under heavy stress. When food supply falls, prices jump; this was one of the major causes of the uprisings that caused chaos in Egypt, Libya, Yemen, Tunisia, and Syria less than a decade ago.

This Congress has recognized the role foreign assistance has played and will play in advancing America's foreign policy objectives through its work in health, agriculture, education, democracy and good governance, and poverty reduction through economic growth, as improvements in these areas drastically mitigate the causes and effects of the threats I have described. USAID has contributed meaningfully to large improvements in these sectors in recent decades. Steven Radelet enumerates these gains in living standards in his 2015 book, *The Great Surge.* Between the early 1990s and 2015, one billion people across dozens of countries escaped extreme poverty, defined as consumption falling under $1.25 per day in purchasing power parity terms. This means that among the populations of developing countries, the percentage of the population living in extreme poverty has fallen from 42 percent to 17 percent. During the same time period, average life expectancy increased by six years, and millions of people gained access to clean water. The number of children dying from preventable diseases fell from 13 million in 1990 to 6.3 million in 2013, and continues to fall. Tens of millions more girls are attending school every year. The number of democracies in the world tripled between 1983 and 2013 (though there has been some backsliding in the last few years), and the change goes beyond simply holding elections: citizens' personal freedoms have expanded, and civil society is more robust. U.S. government programs did not achieve this in isolation: they accomplished these remarkable objectives alongside other donor governments, international organizations, civil society organizations, and, most importantly, the people of recipient countries. Without local leadership, none of these gains would have been achieved.

Many recipient countries, including Costa Rica, Botswana, Jordan, Panama, and Thailand have harnessed U.S. foreign assistance to become upper-middle-income countries. Others, including South Korea, Taiwan, and Chile, have graduated from their status as aid recipients and have become donor nations themselves. Poland, Hungary, the Czech Republic, and the Baltic States, among other former Communist states, have made a successful transition to democratic capitalism with the support of USAID programming. Many other countries have made great progress and are on the cusp of graduating to be middle income or advanced countries.

In humanitarian emergencies, teams from USAID's Office of Foreign Disaster Assistance (OFDA) and Food for Peace (FFP) are often the first on the scene to provide relief. Consider Operation Provide Comfort, which assisted Kurdish refugees who had fled from Saddam Hussein's forces directly following the Gulf War in 1991. OFDA and FFP played a leading role in providing for the delivery of food, shelter, and medical supplies to refugee camps in Turkey. USAID worked closely with the Department of Defense to advise on the steps needed to allow Kurds to feel safe enough to return home to Iraq. Within two months of the refugee disaster declaration, OFDA and FFP teams were in northern Iraq, repairing essential services so that refugees could return. This prompt action prevented the crisis from devolving into a decades-long affair, as other refugee crises have done, in which a full generation of Kurds would have persisted in poverty in refugee camps without knowing their native home. Partially as a result of this intervention, the Kurds continue to be American allies in the Middle East today, demonstrating how humanitarian aid advanced broader foreign policy goals.

In 2004, fighting between government and rebel forces in Darfur, Sudan, forced 2.2 million people to flee their homes. The day the ceasefire took effect (thus allowing humanitarian aid to enter) USAID mobilized an OFDA team to provide relief commodities, emergency health care, and nutrition services for severely malnourished people. The team went beyond basic relief, however, to provide agricultural and animal health services. This assistance helped secure a more sustainable source of food. Furthermore, USAID's Office of Transition Initiatives (OTI) helped foster a peace process by supporting development of an active civil society and increasing access to independent information. OTI awarded grants to establish a local newspaper and radio station, provide capacity-building to civil society organizations, and support civic education initiatives.

In his book *Mass Starvation,* Alex de Waal finds that, of the one hundred million people who died in famines between 1870 and 2010, the vast majority perished before 1980 (see Figure 1). Because of the development of the humanitarian response system in the second half of the 20th century, individuals that would have died in earlier years were able to survive. Some of this was a result of globalization and economic growth, but much was a result of the international humanitarian response system. Though many countries and international bodies play vital roles in these response systems, the United States has undoubtedly played the leading role, and the rapidity and scale of our response efforts worldwide remain unmatched.

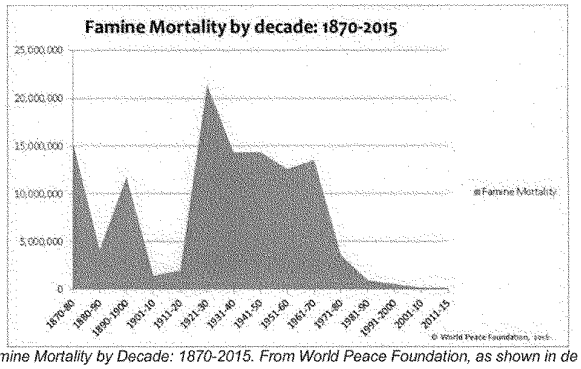

Figure 1: Famine Mortality by Decade: 1870-2015. From World Peace Foundation, as shown in de Waal, 2017.

Among aid programs, humanitarian assistance has attracted the most domestic support because its results are rapid and demonstrable, easily broadcast on American televisions to justify expenditure of tax dollars. Still, USAID has had countless notable successes in its longer-term development programs, aimed at alleviating poverty and spurring economic growth. Among this work is USAID's voluntary family planning programming. Recognizing that high fertility rates in low-income countries exacerbate hunger and endanger maternal and child health, USAID has sponsored community-based distribution systems worldwide to bring family planning information and contraceptives to women since 1970. Many of these programs have dramatically improved maternal and child health, expanded women's rights, and educated individuals on the related public health issue of HIV/AIDS prevention.

For example, a six-year USAID family planning program in Ethiopia in the mid-2000s utilized a community-based approach that involved local volunteers to deliver services. These services included information-sharing on family planning options and healthy practices, distribution of contraceptives, education on potentially harmful traditional practices (such as early marriage), and assistance to help women connect to antenatal and postpartum care. Since these volunteers were members of the communities in which they worked, they were seen as trustworthy. That, in turn, encouraged Ethiopians to adopt new practices. A survey conducted halfway through the project indicated that the regions that received this project saw a dramatic increase in contraceptive use: in fact, the increase was three times larger than it was in the regions that did not receive the project. The percentage of women of reproductive age using contraception increased by over 10 percentage points between 2003 and 2006 for the country as a whole, and by as much as 16 percentage points in one of the project regions (according to an independent evaluation). These results rank among the most rapid growth rates in contraceptive use in the world.

Family planning services continue as part of the USAID portfolio in Ethiopia, and contraceptive prevalence continues to rise. Use of contraceptive methods among women of reproductive age has risen from less than five percent in 1990 to 37% in 2017, according to World Bank data. Similarly, data from Ethiopia's Demographic and Health Survey shows that fertility rates have declined from 5.5 births per woman in 1990 to 4.6 births per woman in 2016. There is much room for further improvement, but these gains shed light on the usefulness of USAID programming in this context.

Health programs like this lend themselves well to the quantifiable results that I know this Committee wants to see. It is harder, however, to measure the creation of strong health systems that can be locally sustained and provide quality care for a population after aid programs end. The same concept rings true for programs in agriculture, education, and most other sectors. Because capacity-building and institution-strengthening take time, and because it is difficult to quantify success in these areas, these activities are consistently underfunded and neglected in policymaking. Unfortunately, these are the activities that are the most transformational and critical for reducing countries' dependence on aid.

Furthermore, aid programs can only make a sustainable impact if the elites in the countries we assist embrace their own development process through political, economic, and social reform. One of the reasons for success in the USAID family planning program in Ethiopia is that officials in the country's Ministry of Health considered reducing fertility rates to be a priority issue. Regional governments were also eager to improve in this area, and made good use of the USAID program's policy and advocacy support to get family planning services included in their regional health budgets. Without this buy-in from individuals in power in the recipient country, a program's impact is unlikely to be sustained after the program ends.

Sustainable development also requires the establishment and strengthening of local institutions. To build local expertise to lead both public and private institutions, USAID granted thousands of scholarships for study in U.S. universities to students from developing countries. These students gained expertise in fields relevant to their countries' development, such as economics, agriculture, health, and governance. Consider the scholarship program for Chilean students, which ran from 1956-1964. USAID's predecessor agency, the International Cooperation Agency (ICA), funded a partnership between the University of Chicago, famous for producing some of the world's most widely-respected economists, and two Chilean universities. Under the arrangement, thirty Chilean graduate students received funding to study economics at Chicago. Upon receiving their doctoral degrees, many returned to Chile, which was in the midst of an economic crisis. They later earned their famous moniker as the "Chicago Boys" responsible for drafting the country's economic plan. It was this economic plan, implemented starting in the 1970s, that kickstarted spectacular economic growth in Chile.

The plan was first adopted in 1970 just before the dictatorial Pinochet regime took power in 1973. Though the plan continued under Pinochet's rule – a brutal and tragic period in Chilean history which no level of economic growth can justify – this rapid economic growth continued even in later democratic administrations. Many of these scholarship recipients accepted teaching positions at two of Chile's top universities, training younger economists. The economic teams of all Chilean administrations since the 1970s have overwhelmingly come from these two universities, highlighting the direct link between the scholarship program and Chile's sound economic policy. Dr. Arnold Harberger, a University of Chicago professor who went on to be USAID's Chief Economic Advisor, argues that Chile's remarkable economic performance is due, in great part, to "the pervasiveness of good economics in public discussion and public policy." Today, Chile continues to be a shining example of economic growth and development in the region, and became the first South American country to join the OECD - a club of developed countries - in 2010.

The scholarship program is notable as a project that was clearly transformational, but failed to produce the rapid, quantifiable results that foreign aid critics demand. The economists trained at the University of Chicago did not have a demonstrable impact on economic policy until several years after the program ended. They used their Chicago teaching to train younger economists in Chilean universities, but the beneficial influence of those students on Chilean economic policy was not fully recognized until decades later. This success story highlights the importance of building the capacity of local actors and local institutions to effect change in their own societies. To do this, we must accept that sustainable development impacts may only be seen in the longer term.

By expanding telecommunications services, USAID has helped equip local actors to push for change. From the 1970s to the mid-2000s in Egypt, the Agency funded a utility assistance program that improved water and wastewater, power, and telecommunications systems throughout the country. Reliable utilities are critical to meeting citizens' basic needs, and thus are important for achieving sustained economic growth. In particular, an expanded telecommunications network, which an independent evaluation estimates benefitted 4.2 million Egyptians, encouraged foreign travelers to consider Egypt as a destination, and incentivized foreign businesses to consider operating in the country. The intervention has thus contributed to improving tourism, trade, and investment. Notably, USAID did not focus only on building infrastructure, but worked closely with the Egyptian government to strengthen institutions and support reforms to attract private sector investment. President Hosni Mubarak, initially quite resistant to the expansion of cell service for fear of the power it would give his population to organize, eventually relented. Ironically, this improved access to telecommunications services allowed Egyptians to unite and rise up against Mubarak in 2011.

Similarly, USAID's African Global Information Infrastructure Gateway Project (also known as the Leland Initiative) expanded internet access for individuals and businesses throughout sub-Saharan Africa. In the mid-1990s, only about 1,000 people outside of South Africa used the internet. Access was low and costs were prohibitive. USAID involved a variety of African and international partners to address constraints to internet adoption: these included regulatory barriers, lack of telecommunications infrastructure, and low demand for internet services. By the year 2000, all 54 African countries were connected to the internet, and the number of users (excluding South Africa) had risen to 150,000. The project encouraged use of the internet by local actors to improve civil and political rights. For example, the Education Center for Women in Democracy in Kenya used Leland Initiative support to create a website that provides women with information on getting involved in politics.

Even in tenuous environments, aid programs have raised living standards, encouraged economic growth, and contributed to better governance. Unfortunately, the positive impacts of foreign aid have often been overshadowed by political events. Nowhere is this clearer than in the U.S. intervention in Afghanistan. After almost two decades of American forces on the ground, the country remains unstable: 35% of the population lives in insurgent-controlled territories, and attacks by the Taliban and Islamic State kill or injure over 8,000 civilians each year, according to a brief from the Center for Strategic and International Studies (CSIS) this month. However, as Daniel Runde and Ambassador Earl Anthony Wayne argue in the CSIS brief, the media focus on the security situation has obscured impressive development gains throughout the U.S. engagement with Afghanistan. Since 2000, the under-five mortality rate and maternal mortality rate have been nearly halved. The proportion of the population with electricity access went from close to zero in 2000 to 85% in 2016, and access to safe drinking water more than doubled between 2008 and 2014. While women's education was prohibited under Taliban rule, the majority of primary-aged girls are now in school, and women make up one-third of university students.

Perhaps most importantly, USAID's efforts to build a free and independent media, with hundreds of radio stations, print media outlets, and TV stations which have opened since 2001, have increased Afghans' access to reliable information. Cell service subscriptions have surged, and Afghans use phones for mobile payments, which can contribute to lessening corruption since transfers are more easily tracked. By improving life for Afghans, aid contributes to the broad U.S. foreign policy objectives in the country by reducing the appeal of the Taliban and encouraging citizens to push for legitimate, democratic governance. USAID continues to play a critical role in America's national security strategy in Afghanistan.

While great success can be achieved when development, diplomatic, and defense activities work toward complementary goals, their objectives sometimes clash. For example, the State Department pursues public diplomacy – enhancing the image of America in the world – as one of

its primary objectives. When we redesigned the USAID logo (Figure 2) during my time as Administrator in the early 2000s, however, we were very sensitive to the fact that using the American flag on the USAID logo (and thus emphasizing the source of funding for aid projects) would undermine local ownership of these projects, which is crucial for sustainability of results.

Figure 2: USAID Logo, adopted 2004

The State Department's Advisory Commission on Public Diplomacy toured the Middle East and queried local populations about U.S. aid programs. Responses were mixed: some people appreciated the programs, but others were embarrassed by or resented them because they highlighted the fact that their own governments were not providing basic public services. It was a case of wounded national pride. At USAID, we felt that promoting a perception that host country governments were equal partners in programming might help. We conducted surveys among citizens of USAID host countries, and found that when the host country's flag was posted alongside the USAID logo, projects received a more favorable reaction. In short, we found a solution to the branding question that met the dual objectives of American public diplomacy and local ownership. Nonetheless, this example illustrates that strategic planning is needed to ensure that diplomatic goals do not displace good development.

As I have discussed, the most transformative and sustainable development is not rapid, is not immediately visible, and is not easily quantifiable in the short term. Since the inception of USAID, critics have attacked aid programs. The problem, however, is not development work, but the fact that oversight agencies—called the counter-bureaucracy –are using a measuring stick unsuitable to development work. The political pressures to produce quick results or meet diplomatic or defense objectives on short timelines forces USAID programming away from sound and sustainable development practice.

Our country is now entering a period of intense geostrategic competition. Apart from the threat posed by other states - most notably China and Russia - we face a massive forced migration crisis, and fragile and failing states have become magnets for organized crime and terrorism. Our increasingly globalized world and fragile medical supply chains make for a growing risk of a worldwide pandemic, which would trigger global economic crisis. Volatile food prices, which led to uprisings across the Arab world around 2010, threaten both food security and state

stability. The world's growing population indicates that by 2050, we must increase food supply by 60 percent; if not, we will face widespread political unrest.

In the United States and Europe, policymakers often neglect the truth that development is intricately connected to broader U.S. foreign policy. Meanwhile, the rise of nativism and isolationism encourages many policymakers to withdraw support from foreign aid programs. This is the wrong decision in light of the pressing threats I have described. We need foreign aid programs to strengthen governance, stimulate economic growth, fortify health systems, and improve agricultural productivity through innovation. To pursue these goals fruitfully, USAID must have greater autonomy to make decisions that align with good development practice. To achieve this, I propose four areas for reform.

First, the federal government's complex program oversight systems must adapt reporting requirements to the realities of development work. USAID faces pressure to demonstrate rapid and quantifiable results in order to continue receiving funding. This, in turn, forces program officers to spend their time conducting countable activities rather than building capacity and strengthening institutions. Quantitative measurement can be productive for service delivery aspects of foreign aid, such as humanitarian relief or some health programs. However, programs in governance and economic growth suffer when work toward long-term results is displaced in favor of short-term outputs for the sole benefit of reporting. Congressional oversight committees must recognize that not all development is quantitatively measurable, at least in the short term. They must also acknowledge that sustainable development takes time, and should allow for a longer time horizon in reporting program impacts. USAID programs are typically five years, but programs should be 10-20 years to allow for adequate support for institution building in the recipient country.

Second, USAID would benefit from decentralization of program management to its field missions. In his book *Navigation by Judgment,* Johns Hopkins Professor Dr. Dan Honig argues that in highly unpredictable environments (as most developing countries are), programs will have a greater chance of success if they vest decision-making power in local aid managers. Aid program managers have local, contextual information that cannot be easily communicated in a timely manner to managers in Washington. Allowing them to use this information to guide their projects creates opportunities for improving the project and surmounting unforeseen challenges. Throughout the Cold War and into the 1990s, USAID mission directors had high degrees of local authority. Since then, however, the demands of oversight organizations and the constant political pressures on USAID funding have made the Agency increasingly risk-averse, pushing authority toward Washington. Decentralization could be accomplished by reauthorizing the delegation of authority to the USAID mission directors so they have discretion in the design of country strategy and projects, the determination of partner organizations, and the management and implementation of programs.

Third, all international development and disaster response programs across the federal government should be consolidated into one cabinet-level agency, as is the Environmental Protection Agency or the CIA, with a direct reporting line to the President. This would improve the coordination and efficiency of development programming and disaster relief. Additionally, status as a cabinet-level agency would improve USAID's ability to coordinate with the other departments of the foreign policy apparatus: most notably the Department of Defense and the State Department. Clashes between defense, diplomacy, and development goals throughout the last few decades have made for developmentally unwise decisions; in Afghanistan, the subordinate organizational placement of USAID threatened development outcomes there because USAID voices were not considered in decision-making.

Fourth, this Congress should amend the Foreign Service Act to allow USAID to assign foreign service officers (FSOs) to countries for up to ten years. Since institutions are very weak in the countries where USAID works, personal relationships are absolutely critical to success. Abandoning the social capital FSOs have forged by forcing them to accept a new country assignment after just a few years is counterproductive. Furthermore, the more unstable and fragile a country, the longer FSO assignments should be, given the relative value of relationships over formal rules in these contexts.

Last year, USAID Administrator Mark Green announced a reform that would create a career cadre of USAID officers trained to live in unstable and fragile settings, to be known as Rapid Expeditionary Development, or RED, teams. This proposal was borne out of the recognition that the U.S. government as a whole is underperforming in non-permissive environments. Thus, there exists a need for teams of development officers specially trained to live and work in such environments, and prepared with a skillset to advance programming in communities vulnerable to violent extremism. In 1989, during my time as Director of OFDA, we established the Disaster Assistance Response Teams (DARTs): expeditionary teams prepared to survive in any environment. In the 2000s, USAID began a process to extend this idea to longer-term field staff living in fragile countries, but the process was never completed. It should be implemented now.

USAID has demonstrated that it can produce impactful development results without the current restrictive levels of oversight. During my time as Administrator, the Agency established the Global Development Alliance (GDA), a mechanism for public-private partnerships in development programming. USAID began to explore alliances with corporations, foundations, NGOs, churches, and universities as a source of not only funding, but also expertise, logistical capacity, and innovative technologies. These partnerships became a grand experiment in the development results that can be achieved when aid programming is freed from burdensome central control structures and excessive regulatory oversight. Furthermore, the GDA was

structured to empower USAID program managers in missions to create and administer their own alliances; the central office in Washington was constrained to a limited staff and budget.

The GDA has been a remarkable success. Companies from Wal-Mart to Starbucks have entered into partnerships with USAID, as have private non-profits such as the Bill and Melinda Gates Foundation. In one notable project, USAID linked Rwandan coffee farmers with international coffee retailers, which provided training to farmers on high-quality coffee standards. The family incomes of these coffee farmers (50,000 farm families) more than quadrupled. In Angola, the USAID mission director formed a partnership with ChevronTexaco Corp, which delivered financial and business development services to small and medium enterprises during the country's transition to peace. The partnerships are not limited to huge international companies: USAID/Haiti worked with a fledgling Haitian bank to channel a small portion of remittance transactions from the Haitian diaspora to fund public school construction. As of 2016, USAID had entered into more than 1,500 alliances with over 3,500 partner organizations, with an estimated total value of 20 billion dollars (including public and private funds, and both cash and in-kind contributions). The program has had such impressive results that several other federal departments, including the State Department, have established similar programs.

I urge this Congress to consider these reforms, which will contribute to our common goal of making development assistance more effective. The burdensome reporting requirements placed on USAID are inconsistent with the realities of the development process, and force aid officers to divert time and resources toward generating short-term outputs because of pressure from the counter-bureaucracy. The subordination of USAID to the priorities of cabinet-level agencies undermines its ability to contribute to this country's broader foreign policy goals. Failing to grant appropriate autonomy to USAID threatens not only the welfare of our allies in the developing world, but the future security and prosperity of the United States itself. Given the threats facing the United States and our allies around the world, we need to strengthen USAID and other aid programs, not weaken them through an ill-advised budget cut.

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Mr. BERA. Thank you.

Obviously, you have got a lot of say there and all of it really important. I will go ahead and start the questioning.

Ms. Higginbottom—and let me frame it this way. I think it is incredibly important for us to, you know, recognize our veterans every day and have a day like Veterans Day to just remind us of what they do to protect our freedoms and represent us around the world and the sacrifice that they and their families make.

But I do think far too often we forget about the others that are out there representing us from our diplomats to our aid workers to the folks that are working through the NGO's and, you know, I just want to make sure that we do not lose sight of that and, you know, our generals are the first ones to admit that that partnership that they have with the development community and the diplomatic community is incredibly important, because it is this combination of our hard power and our soft power.

You have been inside the building at State Department and certainly have looked at how the department is working currently and if you would just make a few comments on, as we get this committee underway, some of the things that we should be thinking about and how we best could work with the folks inside the building.

Ms. HIGGINBOTTOM. Thank you. Thank you, Mr. Chair.

I think that this committee can play a really important role in highlighting some of the challenges that both the Foreign Service and the civil services face as well as to understand, to your point, Ranking Member, about how to have oversight of program and ensure we have accountability and that we have the right processes in place for those things.

With respect to some broad areas that I think are important for the committee to consider, we are seeing a decrease in the number of people taking the Foreign Service exam and we are seeing some attrition.

The building is built on the professional nature of its Foreign and civil service employees. I think it is really important that we understand what is happening there. We need the best and brightest to represent us around the world and that is really critical.

I mentioned in my testimony something that I am really seized of and I want to just mention it again, and that is that we do not have an enterprise wide knowledge management system and it is inefficient and ineffective to have a personal system that is contingent upon rotations with no clear way of maintaining information and relationships that is organized and centrally housed.

I think that is a critical issue. It takes investment and it is complicated, but I think it is really, really necessary.

Mr. BERA. Great. Thank you.

Mr. Natsios, you are a long-serving USAID director and, certainly, served at a very interesting time. As you think about your lessons and as you think about where we need to go in aid and development, we are seeing other governments, you know, taking a different approach, the Chinese for one certainly how they are approaching the rest of the world.

What would, if you were to just imagine the absence of the U.S. presence there, who is going to fill that? And then the flip side is

the importance of how should we be thinking about this as we go forward as we think about aid and development in the 21st century and the importance of the U.S.'s role in that capacity and what it says to the rest of the world when the United States shows up.

Mr. NATSIOS. Well, I can tell you I am a very strong internationalist. I am right of center rather than left of center. But that is where the bipartisan nature of this coalition is.

There are conservative internationalists and there are liberal internationalists, and I think we agree on more than we disagree, frankly.

Mr. Guterres, the secretary general of the United Nations, publicly said something we all knew privately. The U.N. does not work without American leadership. It does not. President Bush used to have a weekly call with Kofi Annan, the U.N. Secretary General at the time.

He would sit there and go through a list of things we needed done and Kofi would say we need help on this or that. They were not the best of friends, I have to tell you. They disagreed on some issues.

But they worked together on a regular, systematic basis and it made a difference. That relationship between the U.S. and the U. N. is weaker now, and it has been weakening for some time. That is not a good thing.

I am an Africanist—that is where I spent a lot of time. My African colleagues tell me that African States that signed these infrastructure agreements with the Chinese are kicking themselves for failing to read the fine print.

One colleague told me that the financing agreement says if the recipient country cannot pay the bill, the Chinese take over their ports. I think it was in Zambia recently that the Chinese took over a mine.

We do not do things like that. Everybody knows the United States protectds its interests. But we have other interests, including the broader development of poor countries.

It is in our interest to have a stable world order in which fewer people are poor. No one thinks that the Chinese have that anywhere in their foreign policy.

If the Chinese displace us—which I do not think they are going to do—I think this notion the Chinese are going to take over the system is nonsense. It is not going to happen for a variety of reasons that are beyond this hearing.

But if it should happen, the international system will not be functional.

Mr. BERA. Well, my sense, having traveled a lot and talked to leaders around the world, is they would much rather the U.S. presence be there because they know, you know, obviously, we have our interests. But we do act in a much more benevolent way in helping build the capacity of the countries that we are involved in.

In my remaining time, you know, Ms. Higginbottom, you are now at CARE International and as we think about our role in diplomacy but, more important, aid and development, how should we be thinking about our partnership with the NGO sector and also, potentially, with the corporate sector?

Ms. HIGGINBOTTOM. I think in the NGO sector we look at, across the spectrum, at partnerships. That is how we work. Whether it is with USAID or with private sector companies with other INGO's, and I think as we see the world changing and particularly the development landscape changing, what we see is that official development assistance, as critical as it is, is a very small percentage of private revenue flows that are going into countries, and that means if we are going to be really effective with our work we have to look across a whole range of partnerships.

And I think as we look at State and USAID, ensuring they have the capacity—both agencies—to develop those partnerships and relationships and work more seamlessly across different sectors, I think we will be much more effective and efficient with our—with our resources.

Mr. BERA. Well, maybe expanding on that then as well, knowing that we have limited and we certainly have challenges that we will have to look at here domestically, I think my perception is, it will not be the United States going it alone.

We now have multiple allies that are developed nations and so forth and the president is not incorrect that we should be working with them.

Maybe, Mr. Natsios or Ms. Higginbottom, how do you envision us working with the international community? And, again, let me couch I think the Americans should be leading because of our leadership and our values. But what has changed from the 20th century to the 21st century?

Mr. NATSIOS. I think when political systems—democratic systems in particular but even dictatorships get under severe stress they begin to behave differently.

And it is not just in the United States. This has been happening across the world in other democracies. You are seeing what is happening in Europe right now.

The Democratic Party of Sweden is actually the Nazi Party of Sweden from the 1930's. It got 17 percent of the vote in the last Swedish election. That is very disturbing.

The auditor general, which is a big job in this party, was a member of the Waffen-SS. He is an old man, but he was a member of the Waffen-SS, one of the most horrendous parts of Hitler's structure of terror.

This party received 17 percent of the vote in Sweden because of the immigrant issue in Europe. So it is an issue—these issues are churning across the world.

We interviewed someone for admission to the Bush School. She is Chilean and works in refugee issues. She told me that a million refugees have escaped to Chile—a million.

The Refugee crisis is having an effect across the world, and that is why people start turning inward, becoming more protectionist, more ultra nationalist, more isolationist, and that is not good.

Mr. BERA. Mr. Natsios, I notice that votes have gotten called.

Mr. Zeldin, I think you can probably do your questions and then we will recess and come back after votes.

Mr. ZELDIN. Thank you, Mr. Chair.

Earlier in my opening remarks I referenced the GAO report that Congressman Perry and I recently secured the declassification of

revealed a number of concerning issues regarding staff who failed to implement appropriate policies and push back with the host country.

When UNRWA developed complementary teaching materials and seminars to address concerning content following three textbook reviews, some staff refused to attend training and workshops and utilized this supplementary material, which countered the content that was not aligned with U.S. values and, in many cases, not aligned with reality.

I want to ask you this question more generally. It is not specific to that report. But based on your experience, how did you deal with local beneficiaries who did not implement appropriate standards?

Mr. NATSIOS. Well, Congressman, I hesitate saying this, but I will say it. It is not this committee, but this Congress and other committees have placed draconian limits on American diplomats and USAID officers getting out— not just of the capital city—but out of the mission itself.

The USAID mission in Kabul is called "the prison" by the USAID staff. You can go for one year on duty in Kabul and never leave the mission. They will not let you out because of the security restrictions.

Mr. ZELDIN. Just so you know, the question, though, is with regards to the local——

Mr. NATSIOS. The question is: How do you monitor programs if you cannot go out and see them? If you to improve accountability, you need to take the authority over our embassies and missions out of those other committees, because they have told everyone there is no tolerance for risk. If there is no tolerance for risk, we should not have embassies. We should not have missions around the world. You have to get out of the capital city, out of the mission, and out of the embassy to find out what is going on. These abuses are taking place because we cannot see what is going on.

Why? Because of these security restrictions and, more importantly, because of restrictions on how many USAID officers and diplomats can be assigned to these countries. We hire more Foreign Service Officersand then we cannot send them out to the field.

I used to blame the State Department for this until I became a diplomat and realized it is not the State Department that is the problem. It is Congressional Committees, but it is not the four committees that oversee Foreign Affairs.

The committees that are the problem are giving exactly opposite instructions than all of you are giving to the State Department and USAID, and that is the problem.

There are conflicting instructions in terms of access and openness to get out of the capital city and the mission and the embassy.

Mr. ZELDIN. Ms. Higginbottom, if you could, I guess, just speak to the interaction with the locals, based on your experience. What else can we improve upon?

Ms. HIGGINBOTTOM. I do—I just want to agree with what Mr. Natsios said. The issue of how we manage risk, not how we eliminate it, has got to be taken up and I think this committee can play an important role because a lot of the concern we would have about program implementation would be the limit that we would have

imposed for mobility and not having the ability to really know what is happening in a given program.

When you do know that there are—there are a lot of mechanisms, I think, actually to deal with staff that are not following policy or guidelines and when it is very clearly the case then the line management has a lot of tools at their disposal to take action and they should.

The inspector generals at both agencies play an important role. I met with our inspector general every week. It was not my favorite meeting but it was really important, and I think they can highlight critical areas where we need to focus and where there are problems. They do inspections of embassies. They can highlight some of these issues.

So I think there are tools. I do think the risk issue is really important and I do think that this committee can play an important role in helping to address that.

Mr. ZELDIN. OK. So I am going to just continue based off of your answers as opposed to—I had a couple of other followup questions.

But I guess going back to Mr. Natsios, can you now take your point, I guess, to the next level a little more? Is there more specificity you can share? I know you did not—you were not naming other committees but what can we get out of your exchange that we can act on?

Mr. NATSIOS. Well, you cannot reassign responsibility within the congressional system.

But if I had my way, the only four committees that would be allowed to deal with the State Department and USAID would be the four appropriators and the authorizers in the House and the Senate.

Even though I have had disagreements with these committees over the years, I have never seen then do things that are damaging to either institution. But I have seen other committees in this Congress who do not travel.

They do not know what is going on in the world, and their objective is not the carrying out of American foreign policy or USAID programs. It has nothing to do with party. The Democrats and the Republicans are equally damaging to the operational capacity of State and USAID.

I wrote a article for the Weekly Standard about 10 years ago called "American Fortresses," because the embassies often look like medieval fortresses.

Mr. ZELDIN. Well, we all have more to talk about. I know that—I will yield back to the chair at this time because I know we only have a few minutes left of votes.

Mr. BERA. I want to—at this time the subcommittee will recess so that members can vote and then the hearing will resume immediately following the votes.

Thank you.

[Recess.]

Mr. BERA. The committee will come to order. I ask that, you know, at this juncture, Mr. Perry from Pennsylvania. So we will go to you.

Mr. PERRY. Thank you, Mr. Chairman. I appreciate coming directly—oh, do you want to defer to the——

Mr. BERA. OK. Thank you for that. See, we are already acting in a bipartisan manner, as you know, working together. What a tone.

Mr. MALINOWSKI.

Mr. MALINOWSKI. OK. Thank you. Thank you.

Thank you for your testimony earlier today and for your patience with us as we vote.

Let me start with this question to you, Mr. Natsios. As a general matter, I assume you would agree that when the United States military deploys to a complicated dangerous place it is helpful to have civilian agencies involved as well providing humanitarian assistance, development, reconstruction, good governance, and all of that. I presume we are in agreement. Yes.

And Ms. Higginbottom, OK. Let me—let me apply that principle then to a situation we are dealing with right now and that is Syria.

A number of us, on a very bipartisan basis, over the last few weeks and the last few days including at the Munich Conference made an effort to try to persuade President Trump not to follow through on his policy or tweet or whatever it was to pull all of our forces out of that country prematurely before the mission was complete.

And he heard us and I think, fortunately, made the decision to retain around 400 troops with our allies as part of the effort in that country.

But what has been lost in the debate over our presence in Syria is that late last year the administration also made a decision to completely end, not to spend some $230 million that the Congress had provided for stabilization programs in Syria because, they argued, others, particularly the Saudis, could fill our shoes.

So I wanted to ask you, do you think that is a good idea if we have 400 troops or any number of troops deployed in Syria to have absolutely no civilian component to that mission?

Mr. NATSIOS. Congressman, I was the co-chairman of the Committee on Human Rights in North Korea with my good friend, Roberta Cohen, when you were assistant secretary of state. You were our biggest supporter in granting money for investigating the outrageous atrocities that the North Korean regime has committed against its own people, and I do want to thank you for that.

Mr. MALINOWSKI. Thank you.

Mr. NATSIOS. It made a very great difference to us. We are a small organization and we appreciate it. Thank you.

The first thing is that it is not about how much money we spend. It is about who is spending it and how it is spent. USAID has expertise in war zones that even our friends in Europe do not have—and I think some of our friends in Europe do some things very well.

We perhaps, because of the U.S. being a great power, have mastered, though not completely, how to work in very difficult places and run programs.

The Saudis have no experience in this. They do not have any experience even in stable environments. That is point number one.

It is not going to work with the Saudis taking over in Syria. Second, if we are going to keep troops on the ground, we need to have a civilian component next to them.

So I, frankly, do not support the withdrawal of these civilian personnel from Syria. I think we are going to have to send them back in again. I know we keep telling the Russians and the Iranians they are going to fund the reconstruction.

I have to say the Russians do not have a lot of experience doing reconstruction work in the developing world and the Iranians have no experience.

Mr. MALINOWSKI. Right. Well, we are keeping them as—so we are actually keeping the troops with no——

Mr. NATSIOS. I know, but what about the civilian component?

Mr. MALINOWSKI. Nothing. It has been completely eliminated and, I mean, does that make our troops safer? I mean, is there an issue potentially with—in terms of the safety of our troops if there are no civilian eyes or ears? If we are not working with local governments? If we are not working with NGO's on the ground to counter extremism, which we were doing?

We were funding in Syria these extraordinary women-led human rights organizations that operated under ISIS control and, in my view, are the most effective counterweight to ISIS at a time when, well, they were obviously risking their lives. Would the Saudis fund those kinds of organizations, do you think, if we turned it over to them?

Ms. HIGGINBOTTOM. I would not expect that they would and I agree that—Congressman, that the type of relationships and engagements that you have with some civilian capacity in a context like that is really important and I do think it can have a direct contribution to the security of the troops. I am pleased to see that there has been a shift in that—in that posture from the president.

Mr. MALINOWSKI. Thanks. And just, finally, a comment on a different issue that has come up—our assistance in Palestinian areas—and I take the point about criticism of UNRWA.

But let us also not forget that we have completely eliminated USAID programs operating to improve water systems, to encourage Palestinian and Israeli children to get to know each other, to support schools.

Presumably, you do not think USAID was teaching people to delegitimize Israel. Who do you think benefits more from the complete elimination of those programs, Israel or Hamas?

Mr. NATSIOS. I think eliminating the programs helps Hamas. That is not what the intention was by the administration, but that is what the effect is.

I can tell you from personal experience, and I might add a little story. When we went into Afghanistan the first thing we did, not just to educate kids but to get them off the streets into school, was to print 7 million textbooks from the old royal curriculum used when the king was in power. These were at the University of Nebraska, where there was an archive from Afghanistan.

I had nine Afghan intellectuals—journalists, women's groups, and academics—read all 200 textbooks to make sure there was no anti-Semitic or anti-Russian content. (There was anti-Russian content because of the civil war.) Female stick figures—stick figures—had been scratched out from all the textbooks.

We fixed these issues and I had the Afghan intellectuals read the books twice to make sure we did not miss anything. The point is

that there is a utility in having USAID there because we are sensitive to these issues, and without us there I think, frankly, the extremists will have more license.

I understand the pressure of politics. I was in the legislature of Massachusetts for 12 years. But I think it is unwise to shut these programs down. That is my experience.

Mr. MALINOWSKI. Thank you. Fully agree.

Mr. BERA. Thanks, Mr. Malinowski.

And Mr. Perry from Pennsylvania.

Mr. PERRY. Thanks, Mr. Chairman. Ladies and gentlemen, thanks for being here. These foreign assistance dollars are precious and, of course, I do not have to tell you or remind you they come from the hardworking taxpayers of the 10th District in Pennsylvania and everybody else's district here, too. So it is really important that we safeguard them.

And, you know, oversight is important and I am sure you are familiar with the stories of fraud and abuse and so this is the Oversight Committee. I think it is important to highlight some of these things and then just have a discussion about it.

There is a 2018 report that assistance provided to Afghanistan through the reconstruction trust fund was at risk for misuse. The special inspector general for Afghanistan reconstruction who was appointed by Congress stated that once the U.S. or any other donor provided its contributions to fund—to the fund, neither the World Bank nor USAID could account for how those funds were specifically spent.

There is also—this goes back a way—but, you know, because, Mr. Natsios, I have listened to some of your comments and also Ms. Higginbottom. I want to get to some of those about why this is happening if you are not able to monitor correctly.

But this goes back to 2013. An investigation by the Wall Street Journal found that more than 20 percent of the malaria drugs sent to Africa under the president's Malaria Initiative were stolen or diverted each year and then sold on the black market.

Is the circumstance that you have described where the risk assessment or the aversion to risk is so great that we are not letting the people that would oversee—that staff that oversee these funds and these programs, is that—is that something fairly new?

Is that the—let us be candid—is that the advent of this administration or does it go prior to this administration?

Mr. NATSIOS. Oh, no. This goes back 20 years. This goes back to the embassy bombings in Nairobi and Dar es Salaam in the 1990's. I wrote an article, as I said, for Weekly Standard in 2006 called "American Fortress."

But it was based on what had happened earlier. This is now new at all.

Mr. PERRY. So——

Mr. NATSIOS. And it is not just in Afghanistan and Iraq. This is across the world.

Mr. PERRY. Across the spectrum. So when the IG does inspections and finds these flaws and the lost money, so to speak, or the evidence of lost money, do they include in their report the circumstances, and why is that? Do you know?

Mr. NATSIOS. Well, I am being very candid here.

The special IG for Afghan reconstruction is outrageous in some of the accusations he makes. I will give you an example. He said: we went to a school that USAID rebuilt. There was no one in the school. That is true.

You know why there was no one in the school? Taliban had taken out the headmaster and beheaded him in front of all the teachers and the children. If your child watched the headmaster being be headed,—would you send your child back to the school?

Of course the school was empty. He did not mention that in the audit, however. In fact, their people did not even go to see for themselves. They sent someone else from one of the ministries to go in. Half of his staff has never even been to Afghanistan.

I think the regulators overstepping, and I say that carefully. The IG for USAID, in my view, does very good work.

But he has to be in competition to find more abuse than the special IG. They compete with each other, and if he does not show that he is saving money, his budget gets cut by the Congress.

I wrote an article about this in 2010 called, "The Clash of the Counter-Bureaucracy and Development." You can access it on the website of the Center for Global Development.

I would urge you to read it—I know it is a long article but your staff could read it. It discusses the consequences of these systems that have been set up. When you have competing IGs to see who can find more abuse, you get inaccurate reporting.

Are there problems in USAID? Absolutely. But half the problems that I have seen they got reported by the IG because they never discovered them.

Ms. HIGGINBOTTOM. If I could just add very briefly, I think that as USAID and State, to a certain extent, have come up with new ways to try to monitor when they are limited in access, particularly in places like Afghanistan, questioning the efficacy of those frameworks I think is worthwhile because they are really committed to ensuring that the programs that are being funded work and that they are not subject to fraud.

But I think there is a good conversation to have to see whether that oversight—the accountability framework that USAID and State are doing is effective and I do think that the risk issue is more acute in some places than others. But post-Benghazi it is more—it has been more constrained.

Mr. PERRY. Sure. So what is the—if we are not—you know, these are all policymakers up here interested in making sure that you have the resources that you need, that American foreign policy and interests are furthered and that is what we are doing here.

So and we count on things like the IG, right? I mean, that is what we are supposed to do. We are not there and they are, allegedly. So is there—what is the mechanism for people inside—and thanks for the indulgence, Mr. Chairman—inside the organizations?

What is the—what is the internal mechanism? Is there an internal mechanism when you—you said, you know, they are not reporting on half the things that you saw that apparently you found problematic at some level.

Is there a mechanism for you to find a way to report and make sure the right thing is done?

Mr. NATSIOS. As Administrator, I used to meet with the IG every week. We had a very good relationship. When I saw something wrong I would tell him: I want you to go in and find out what is going on here.

There are two functions of the IG. One is to make sure the management systems work properly and conduct do financial audits. That is sacrosanct. We cannot touch that.

The other function is to look into fraud and abuse. Most of the things that the IG investigates USAID officers report.

The IG does not discover the abuse. We discover the abuse and we call in the IG. I can give you a lot of examples—some of them entertaining, some of them very disturbing.

But the staff calls up the IG—that is the standard procedure in USAID. If you discover something wrong and you do not report it, you can get fired for not reporting.

Mr. BERA. Mr. Perry, if I can also—I would like that to be part of our role as congressional oversight as well. You know, if we are authorizing and appropriating funds for programs I do think it is part of our responsibility to say are these programs actually working the way they are—are we using the taxpayer dollars in the most effective way.

And, you know, if programs are working really well in one part of the world, you know, certainly, thinking about how you take that and, you know, if programs are not working or funds are not being used the way we intended them to be used as Congress.

I also think it is our responsibility to expose that and——

Mr. PERRY. Without a doubt, and I appreciate the chairman's indulgence. And for the purposes of the discussion, it seems to me that there is somewhat of a breakdown in the system here and maybe, you know, while we rely on the IG as well is there any way reconcile between what the folks that work for the agency report to the IG and what the IG reports to us, right? I mean——

Mr. NATSIOS. The special IG for Iraq reconstruction was more responsible than the one in Afghanistan, in my view. I worked with the guy. I sent the IG into Iraq. When the Marines took the city, the IG and the USAID officers were right behind them.

The mission director called me up and said, Andrew, could you have given me a month to set the systems up before you sent the IG in? I told him, "I do not want any problems". We had one contract that got screwed up.

Guess where the contract was? The U.S. Air Force. We asked the Air Force auditors to look into it. It was a corrupt contract, and we had to dump the whole thing. That is the only contract that got screwed up.

Mr. PERRY. Well, as two Army guys, look, we like picking on the Air Force but that is another—Mr. Chairman——

Mr. NATSIOS. I am Army too or I would not have told you the story.

[Laughter.]

Mr. BERA. Well, and I know Mr. Espaillat is on his way over here. You know, I have additional questions. So since we do have a little bit of time we will go and do a second round of questions if you also have questions.

I am conscious and supportive of what Mr. Perry brought up in terms of, you know, we do have a responsibility to use the taxpayer dollars in the most effective way and in conversation with the current USAID administrator, Ambassador Green, I really do think the shift to capacity building and looking at the assets in the countries that we are going into and trying to, as opposed to a one-size-fits-all, saying, you know, each country in each situation is specific.

Ms. Higginbottom, we had a chance to travel together to Europe and I think there are some specific examples of how CARE, working with USAID and the U.S. Government, are doing some specific programs to help empower women in villages to care for themselves.

And if you want to share some of those, you know, because those are not ones that demand donations from the United States in the long term. What it is doing is building self-sufficiency.

Ms. HIGGINBOTTOM. Yes, thank you. A lot of the care programming is really aimed at how we build capacity over time, how we make sustained investments, not—I mean, we do humanitarian response. We respond to emergencies.

But we also look at investments we can make that can really lift up communities and we do that with a lot of USG support, with a lot of resources from the USAID as well as other partners, and we have a variety of different programs. We saw some in Sierra Leone and the idea—and I think it is consistent with Administrator Green's approach—to get a path to self-reliance.

We want to lift whole communities out and one of the reasons why—the principal reason why we have over time come to focus on women and girls is that the data shows that by targeting not just women and girls—we benefit boys and men as well—but by targeting them we see that there are greater returns in terms of investment in health care and education for their children and it lifts them up into becoming entrepreneurs.

We have an incredibly powerful—it is called the Village Savings and Loan Association. They are small savings groups but they are much more than that. They become really a platform to save some money but also to become empowered in communities and make permanent and sustained change.

I think that is the type of development assistance that we know is successful and that works and that over time should become really the lever that lifts these countries.

Mr. Natsios was talking earlier about countries that were once the recipient of aid and are now our trading partners—some of the biggest countries in the world. That is our objective with the approach on poverty reduction.

Mr. BERA. Mr. Natsios, in the remaining time that I have left, your focus on Africa, and when we think about there is many things that we should be focused on in Africa.

You know, one, that I spend a lot of time worried about is the youth bulge that we are seeing in sub-Saharan Africa and, you know, a large population of young people, young men, who may not have anything to do—you know, potentially destabilizing to the region, et cetera.

And I would just be curious if we were thinking about how we approach that and how we are approaching it and, again, sticking

with what is working, what is not working—you know, just in the remaining minute and a half I would be curious about your thoughts on that.

Mr. NATSIOS. First, when I became administrator one of the first things we did was set up the Office of Conflict Mitigation and Management. Some people said, "Why? That's the State Department's job." I said, diplomatically it is. Developmentally, we can do things that cause conflict if we are not careful, and we can do things that prevent conflict if we are strategic in our planning.

We asked how many of the 70 missions had civil wars or major conflicts in the preceding 5 years. Sixty percent. Sixty percent had major conflicts.

I asked this office to intergrate ways to deal with that into their country strategis. The research showed that the youth bulge and illiteracy are correlated with conflict. The young men who join these militias in West Africa, in Yemen, and in other places are often illiterate and unemployed.

So the youth bulge is affecting the stability of the world order, even if we do not see it. It is at the grassroots level, and when we begin to study what is causing this, it is very interesting.

We sent teams in with the State Department and DOD in 2003 into the Sahelian region to see why people were joining al-Qaida—I think it is called al-Qaeda in the Islamic Maghreb now.

They started interviewing young men. It was not poverty that was causing them to join. It was the sense of belonging, of purpose in life. Most of them were not Islamists. They had no theological training. They did not even know what that meant. They were being propagandized by the leaders who were using them for this purpose.

But it is the same mentality for young people—young men particularly but young women now, to joining gangs in L.A. and Central America and other places.

So what we have noticed is if you can get these vulnerable young people into youth groups—more soccer teams—it helps. When I first saw this I asked why we were spending money on soccer teams. My staff told me, "do you want them joining militias or a soccer team?" I chose the soccer team.

You will notice in the USAID RFPs that workforce planning for youth is now a much bigger theme in all of USAID programming. I have noticed it much more than when I was in office.

Mr. BERA. So it is a worthwhile area for us to pay attention to.

Mr. NATSIOS. It is a very worthwhile area.

Mr. BERA. Mr. Zeldin has been kind enough to let me go to Mr. Espaillat from New York first. Then we will come back to Mr. Zeldin.

Mr. ESPAILLAT. Thank you. Thank you so much, Chairman.

Violence and illicit trafficking in Latin America and the Caribbean has become a more serious problem and I think that it deserves further attention from the U.S.

I believe we need to do more with the State Department's Caribbean Basin Security Initiative and the Central America Regional Security Initiative Programs to curve the persistent violence in the region.

Now, previously, many of these countries, so like transported drugs to the north, to the U.S., and they were involved in that aspect of the trade. But now there seems to also be a very dangerous and persistent code of violence in those urban cities of those countries that need to be addressed as well.

And so what are—what are some of the recommendations that you can share with us today and with regards to improving the situation regarding this violence and illicit trafficking in Latin America and the Caribbean?

Ms. HIGGINBOTTOM. Just a couple of comments and ask Mr. Natsios to jump in.

I think that it is clearly an issue. It is impacting us directly, whether it is because of migration and drivers there or because of the drug trade itself.

I think we can look at the success of Plan Colombia for some lessons learned when we have a long-term sustained commitment. We talked about an incredibly fragile State, dealing with many of those issues. Now over 15 years later we get to Paz, Colombia and we see a different opportunity.

I think the investment in the Northern Triangle of Central America where we see a lot of those conditions is absolutely critical to both addressing the drivers of migration but also encountering, you know, the cartels and the drugs that are—and the gangs in that area that are driving it.

During the last administration we made a significant increased investment there. It is a longer-term commitment that takes some time to address the violence and the corruption and the security issues. But I think that is critical to maintain.

Mr. ESPAILLAT. But in addition to the sort of like traditional law enforcement efforts that could be augmented via additional funding, what are some of the social programs beyond the soccer leagues, right, that could help relieve the situation locally and also curtail the migration problem?

Ms. HIGGINBOTTOM. Yes. What I have seen, particularly in the Northern Triangle countries, is a combination of things.

You are working with law enforcement. You are doing training. You are cracking down on corruption. You are working with the three governments to ensure they are making commitments to follow through.

But there is a lot of programming for kids and young people, A, to give them something to do to keep them out of the gangs, to protect their safety. They are complicated to implement in certain very, very dangerous places but when done well are very successful, and I visited many of them when I was at the State Department and I think sustaining that investment is really important.

But it has to be alongside a crackdown on corruption and really focusing on law enforcement as well.

Mr. NATSIOS. Can I just add to that?

Mr. ESPAILLAT. Sure.

Mr. NATSIOS. There is a part of that program, just to drill down a little further, that Ms. Higinbottom is referring to that looks at the indices that help us understand whether a kid is vulnerable to being recruited into the gang.

What USAID and its partner organizations have done in those three countries—and this is based, by the way, on a model used in L.A. to keep kinds out of the gangs is identify what all those risk factors are, the figure out which kids are vulnerable, then put them in specific programs that reduce the vulnerability based on the factor that put them in the category in the first place.

They are showing a substantial decline in gang membership as a result of this system. So the programs work. But the biggest problem—and this is something, Mr. Chairman, that I strongly urge the committee to consider—is the time horizon.

USAID programs do work. They take 10 to 15 years sometimes to work. When we cut a program halfway through, we wipe out half the investment because it takes 10 years—sometimes 15 years, particularly in democracy programs—change to occur.

So one of the things this committee can do is look at the time horizon problem.

Now, if there is mismanagement, I am not saying you should not absolutely look at it. We are not talking about mismanagement. But if you want to see results, realize that the Green Revolution took 30 years to implement. Thirty years.

I am the chairman of a the board of Harvest Plus, a member of CGIAR, the Consultative Group for International Agricultural Research. Harvest Plus breeds plants for micro-nutrients—specifically zinc, iron, and vitamin A—to address micro-nutrient deficiencies among the poor in developimg countries.

The reason I am bringing this up is that it will take 30 years to fully inplement this program. Harvest Plus has bred these micro nutrients into 298 crops grown by poor people in the developing world. We have proved this can work. Now we have to get the seed out to farmers in a sustainable way. It is going to take at least 15 years, additional years to do that.

Washington policy makers want want immediate results. I say, how are you going to get the seed out to a billion people in a year? It takes years to do this stuff.

Mr. ESPAILLAT. Yes. Mr. Chairman, just to conclude, and these programs, obviously, cost money and this current administration continues to repeatedly send to Congress requests for deep cuts, and so that is, obviously, a major, major problem that—there is a perception out there that we are giving away everything when in fact foreign aid is just minuscule in regards to the entire budget and there is proposed cuts to begin with.

Thank you, Mr. Chairman.

Mr. NATSIOS. I do not support these cuts, Mr. Chairman.

Mr. ESPAILLAT. Thank you.

Mr. BERA. Mr. Zeldin.

Mr. ZELDIN. USAID put forth a plan to partially reorganize a lot of consultation with Congress. I do not know if you had any thoughts you wanted to share that would be pertinent to the topic of this hearing with regards to the plan the USAID Administrator Green has.

Ms. HIGGINBOTTOM. I will just say one brief thing because I know you will have a lot to say. I think that there are some—it seems to be, from my perspective, some really good ideas. How they are implemented is really important.

But when I look at, for example, the proposal to bring the food and nutrition programs into—to stop isolating them and bring them into more comprehensive that is just aligned with the way we do programming, for example, that we know is much more effective when it is combined with other interventions.

I think there is a lot of logic there. From what I have understood from the proposals there is still a lot to learn about its implementation.

Mr. NATSIOS. When I was the director of OFDA—the Office of Foreign Disaster Assistance—which was our emergency response mechanism in USAID for famines, civil wars, and disasters like earthquakes, we considered seriously merging Food for Peace and OFDA together.

If Bush 41 had been elected to a second term, we were going to implement it. We were seriously considering it.

Mark Green just did it 2 weeks ago and he asked me for support. This has nothing to do with the Trump administration. We were considering doing this 30 years ago.

So I strongly support what Mark Green is doing. If I thought he was damaging the agency, I would say it in public.

He is not damaging the agency. I think he is a very good administrator. He was a good choice. He is an honorable guy. He is trying to do the right thing.

Now, do I agree with every single detail of everything he is doing? No. But the reorganization you are talking about, Congressman, I support and as I said before, we were considering it in 1992.

Mr. ZELDIN. Any other specific suggestions that you want to throw out there for our consideration and his?

Mr. NATSIOS. Regarding the oversight functions, a council needs to be formed of the special IGs, the IG for USAID. The OMB, the GAO, and the Congressional Oversight Committees.

A council should be formed statutorily to meet and coordinate so they are not auditing the same program in the same country at the same time. We had three different agencies auditing capacity building in Iraq in the middle of a war.

We spent much of our time responding to three different agencies auditing the same program. That is a waste of taxpayer money while our people and soldiers are getting killed.

We lost 300 people in Iraq, 600 in Afghanistan, while we were in the middle of answering three different audits by three different agencies. It is too much.

Ms. HIGGINBOTTOM. I would add a couple of things that are a bit different. One there is, in the 2015 Quadrennial Diplomacy and Development Review, some recommendations about how to increase efficiencies across the two agencies that I think regardless of administration this is—this is separate from any sort of strategic priorities I think are important.

One of them that I led was a joint strategic planning exercise across the two agencies—that does not happen anymore—as well as joint reviews, and the reason for that—there is some tension, of course, between what development priorities and what foreign policy or diplomatic priorities we might have in certain places.

But the fact of coordinating and communicating and collaborating is just a more efficient use of our dollars and it does not—it does not subjugate one department's priorities to the other.

It is really about coordination and making sure. In Washington, we have the same level of understanding that you might have in a mission or an embassy, which does not—is not always the case.

And also I would say—Mr. Natsios said something earlier about empowering the field. One very practical thing—when the State Department begins its budget and planning process it starts at the mission and it comes up to the bureaus and then eventually to the—and at State it is the—excuse me, at USAID it is the other way, and I think there is a lot of inefficiency in having those processes sort of start in different places and end up differently. They need to be separate processes but they should be better aligned.

Mr. NATSIOS. We used to do planning at the mission level, but because nearly every dollar is earmarked in USAID, we had to tell the missions, "These are the earmarks that they are going to get imposed, and you need to plan accordingly.".

The old system, for 40 years in USAID, was that everything was done from the bottom up. Now, everything is earmarked. There is no discretion left.

Mr. ZELDIN. Briefly, I just have just over a minute left.

Switching over to State Department and the special envoy positions, Secretary Tillerson was starting to look at the five dozen or so special envoys. Are there any that your—that you have identified as wanting to elevate higher?

Are there any positions—any of the special envoy positions that you think are unnecessary? Do you have any thoughts that you want to share as far as——

Ms. HIGGINBOTTOM. I think from a—excuse me—from a process perspective, I think there should be a regular and I would do a every one-or 2-year review of the special envoy offices.

Many are congressionally mandated. Others are appointed because at a moment in time you need them and those are important and we should not say all special envoys are bad, in my opinion.

But some are outdated and it is not a great use of resources. We did that under Secretary Kerry's leadership and we got rid of a bunch. It was not the most popular thing within the building but it was the way that we could then say we need a special envoy to counter ISIL or another—a strategic priority.

So I think it is an important regular process that should—that should occur in the State Department in terms of currently. I do not think my—I am as familiar with the current spectrum but I think they should be regularly reviewed and they should be presented to Congress as well.

Mr. NATSIOS. I was a special envoy myself under President Bush for Sudan. I think I did a pretty good job under difficult circumstances in the middle of two terrible civil wars.

Still, we have to understand the effect this has on the assistant secretaries when we put special envoys in to do their job, because that is what is happening.

Now, are there situations in which you need a special envoy for a major crisis that requires someone's full attention. Yes, there are,

and I agree with Ms. Higginbotom that saying all special envoys are a bad idea is not wise.

However, having 50 special envoys is excessive. Why do you have a State Department, then? Why are there assistant secretaries? What are they left to do?

I know it is very difficult from a political standpoint to get rid of some of these titles. But from a management standpoint, it does not make any sense.

Mr. ZELDIN. My time is up. I will yield back to the chair.

Ms. OMAR. Thank you. And in line with some of the things that sometimes does not make any sense, Ms. Higginbottom, it seems that sometimes our humanitarian goals under—are under cut by other parts of U.S. foreign policy.

To me, there seems to be—an emblematic example is the horrific situation that is happening in Yemen. Money for humanitarian aid does not seem to be a problem.

We sent over $700 million trying to alleviate the enormous human suffering that is taking place in Yemen but it cannot get to the people because of the political and the military realities there.

And one of those realities is that under the Obama and Trump administration we have been militarily supporting the Saudi-led coalition. I was proud to co-sponsor the Yemen War Powers Resolution and my question to you is to kind of think about the big picture.

Is it the case that our diplomacy and development objectives sometimes seem to severely undercut our military and political objectives?

Ms. HIGGINBOTTOM. Thank you, Congresswoman. I mean, the situation—the humanitarian situation in Yemen is just awful. It is one of the worst crises, obviously, in the world. There is 80 million—80 percent of the, excuse me, of the Yemeni population that is in need of humanitarian assistance.

We have a very large program with CARE trying to address some of those needs. I can speak to my perspective from the Obama Administration in which we were deeply engaged in trying to support a political solution—a peace solution—and had quite a deep involvement in that, which is ultimately how we are going to reduce the violence, and I think that diplomacy and engaging in that is critical important.

Obviously, you know, we find ourselves facing just an absolutely horrific crisis there and we have got to figure out what are the steps forward now.

Mr. NATSIOS. If I could just add.

Ms. OMAR. Yes, I actually was going to have you answer this question for me. Would you explain why a focus on humanitarian aid and human rights and development are important from a national security standpoint?

Mr. NATSIOS. Sometimes there is a conflict between defense and development, Congresswoman. I watched it. I would get enraged sometimes. But this has been going on for 70 years. It is not new, though sometimes it is more public than it used to be.

Food was used as a weapon against North Korea during the nuclear negotiations 25 years ago when there was a famine and 2 1/

2 million people died. I was part of the NGO community. I was vice president of World Vision and we had a coalition to stop using food as a weapon in diplomacy.

President Bush said we would never do it, and he did not for the 8 years he was President, I do not think President Obama did it either while he was in office.

There are clear tensions, and you have to make a judgment as to what is most important and whether aid is appropriate to use in achieving other ends. For me, using food aid as a weapon in negotiations is like blaming the people who have been the object of atrocities for the atrocity.

They are not the ones that caused the problem. The people who are dying in a famine are usually weak, vulnerable people who have no way of protecting themselves. Why are we punishing them?

Sometimes we fail to consider the ethical consequences of what we are doing. With respect to Yemen, I wrote an op-ed piece with the former director of OFDA—the Office of Foreign Disaster Assistance—in the Obama Administration. It was a bipartisan op-ed criticizing the Saudi government's blockade. And we timed it for the Saudi Crown Prince's visit. He apparently got a little upset that it appeared in the newspaper when he arrived.

Ms. OMAR. Yes.

Mr. NATSIOS. Then, President Trump actually issued a tweet attacking the Saudis for doing this, and they suspended the blockade for a few months, but then they reimposed it.

Reimposing it was not ethical. You have to consider the ethical consequences of this.

Ms. OMAR. So we are in agreement that humanitarian aid should never be politicized?

Mr. NATSIOS. I do not think it should be politicized and I have spent 30 years of my career trying to prevent that from happening.

Ms. HIGGINBOTTOM. I agree with that.

Ms. OMAR. I appreciate that. I yield back my time.

Mr. BERA. Mr. Zeldin, if you do not have any additional questions——

Mr. NATSIOS. Now, let me just add one little qualification.

Mr. BERA. Please.

Mr. NATSIOS. If we find out that large amounts of food aid is being diverted by the regime or by any combatants or militias, then we must stop the program. That is what we found in North Korea. The North Koreans were diverting food.

I sent someone up, under cover, to the Chinese border with North Korea to interview refugees. We found that 40 to 60 percent of the food was being diverted by the secret police and the military. So I ended the program. We did it very quietly,. But the aid was not going to the people who were supposed to get it.

That is a legitimate reason for ending it. That is not politicizing the aid. The purpose of the aid is to feed hungru people.

Mr. BERA. And part of our job as oversight——

Mr. NATSIOS. Yes.

Mr. BERA [continuing]. Is to make sure our aid and humanitarian efforts are getting to the folks that we are actually trying to help.

Mr. NATSIOS. Exactly. Exactly.

Mr. BERA. Sure. Go ahead.

Ms. OMAR. Can you think of an example where a country that we might send humanitarian aid into can see it as inciting violence within that country?

Mr. NATSIOS. Well, you might get that view point, if you talk to Omar al-Bashir, who I dealt with for 30 years as the president of Sudan, and who may be leaving office shortly, involuntarily, given the uprising going on in northern Sudan right now. He saw all of the humanitarian aid as helping his opponents and prolonging the war.

He said, "If you would only stop the aid, all these people would stop fighting." I said, "They will stop fighting because they will all be dead. That is what you want to happen."

I understood what he was saying, and he did argue that some of the food was being diverted and we had to be careful not to let that happen—to let aid get to the rebels, for example, in Darfur.

But 2 million people's villages were burned down. Thirty-eight hundred villages were burned by the Janjaweed in cooperation with the Sudanese government. Are we supposed to just ignore that? Three hundred thousand people died in Darfur.

Ms. OMAR. Yes. Well, thank you. I think we are in agreement that sometimes in particular situations, depending on who is looking at it, sometimes we can see it as being diverted and we can—we can have a moral clarity and ethical understanding of why we are doing it, and sometimes people within those nations can look at it as having an alternative motive in getting involved and sending that aid.

And so there is a balance and oftentimes we have to be cautious of towing the line and making sure that we are not being seen as bad actors intervening in other people's affairs.

Thank you.

Mr. BERA. Thank you.

I want to thank both of the witnesses for being here. We will get you to your plane on time and——

Mr. NATSIOS. Thank you, Congressman.

Mr. BERA [continuing]. Again, we look forward to continuing to work with both your organizations and both of you as well.

So thank you.

Mr. NATSIOS. Thank you very much.

Ms. HIGGINBOTTOM. Thank you very much.

Mr. BERA. With that, I adjourn.

[Whereupon, at 4:39 p.m., the committee was adjourned.]

APPENDIX

SUBCOMMITTEE HEARING NOTICE
COMMITTEE ON FOREIGN AFFAIRS
U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, DC 20515-6128

Subcommittee on Oversight and Investigations
Ami Bera (D-CA), Chairman

February 27, 2019

TO: MEMBERS OF THE COMMITTEE ON FOREIGN AFFAIRS

You are respectfully requested to attend an OPEN hearing of the Committee on Foreign Affairs, to be held by the Subcommittee on Oversight and Investigations in Room 2172 of the Rayburn House Office Building (and available live on the Committee website at https://foreignaffairs.house.gov/):

DATE: Wednesday, February 27, 2019

TIME: 2:00 p.m.

SUBJECT: America's Global Leadership: Why Diplomacy and Development Matter

WITNESSES: Heather Higginbottom
Chief Operating Officer
CARE USA
(*Former Deputy Secretary of State for Management and Resources*)

Andrew S. Natsios
Director, Scowcroft Institute of International Affairs
Executive Professor, George H. W. Bush School of Government and Public Service
Texas A and M University
(*Former Administrator, United States Agency for International Development)*

By Direction of the Chairman

The Committee on Foreign Affairs seeks to make its facilities accessible to persons with disabilities. If you are in need of special accommodations, please call 202/225-5021 at least four business days in advance of the event, whenever practicable. Questions with regard to special accommodations in general (including availability of Committee materials in alternative formats and assistive listening devices) may be directed to the Committee.

COMMITTEE ON FOREIGN AFFAIRS

MINUTES OF SUBCOMMITTEE ON *OVERSIGHT & INVESTIGATIONS* HEARING

Day *Wednesday* **Date** *Febrary 27, 2019* **Room** *Rayburn 2172*

Starting Time *2:02 PM* **Ending Time** *4:38 PM*

Recesses [*1*] (*2:41 PM* to *3:54 PM*) (____ to ____) (____ to ____) (____ to ____) (____ to ____) (____ to ____)

Presiding Member(s)

Chairman Ami Bera, M.D.

Check all of the following that apply:

Open Session [✓]
Executive (closed) Session [ ]
Televised [✓]

Electronically Recorded (taped) [✓]
Stenographic Record [✓]

TITLE OF HEARING:

America's Global Leadership: Why Diplomacy and Development Matter

SUBCOMMITTEE MEMBERS PRESENT:

See attached attendance sheet.

NON-SUBCOMMITTEE MEMBERS PRESENT: *(Mark with an * if they are not members of full committee.)*

HEARING WITNESSES: Same as meeting notice attached? Yes [✓] **No** [ ]
(If "no", please list below and include title, agency, department, or organization.)

STATEMENTS FOR THE RECORD: *(List any statements submitted for the record.)*

Chairman's Opening Statement

TIME SCHEDULED TO RECONVENE _____
or
TIME ADJOURNED *4:38 PM*

Subcommittee Staff Associate

Feb 27, 2019

HOUSE COMMITTEE ON FOREIGN AFFAIRS

SUBCOMMITTEE ON OVERSIGHT & INVESTIGATIONS HEARING

PRESENT	*MEMBER*
✓	Ami Bera, CA
✓	Ilhan Omar, MN
✓	Adriano Espaillat, NY
	Ted Lieu, CA
✓	Tom Malinowski, NJ
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PRESENT	*MEMBER*
✓	Lee Zeldin, NY
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	Ken Buck, CO
	Guy Reschenthaler, PA

STATEMENTS SUBMITTED FOR THE RECORD

House Foreign Affairs Committee:

Subcommittee on Oversight and Investigations

Chairman Ami Bera (D-CA)

"America's Global Leadership: Why Diplomacy and Development Matter"

February 27, 2019

Opening Statement

Good afternoon. I want to welcome all of our members to the first hearing of the Oversight and Investigations Subcommittee.

I am deeply honored to chair this subcommittee. In our ranks, we present the best of America. We have military veterans, like our Ranking Member and others, on each side of the aisle, who have served- and continue to serve- their country with honor and distinction. With our Vice Chair, Mr. Espaillat, and Ms. Omar, we have immigrants and refugees who found the best that this country has to offer. And we have seasoned diplomats, like Mr. Malinowski, who presented the best that America can be. This is how I intend to chair this subcommittee, with bipartisanship, recognizing that we are the sum of our strengths and experiences.

Chairman Engel reestablished this subcommittee to strengthen Congress' oversight of the executive branch and reassert our authority in foreign policy. This subcommittee will work closely with the full committee and other subcommittees to exercise our role. Our goal is to conduct oversight in as-bipartisan a manner as possible. I would also like to acknowledge the Ranking Member, Mr. Zeldin of New York. I look forward to working with him and all our members to make this subcommittee successful.

To begin, Congress is a co-equal branch of government; we are the *first* Article in our Constitution. For too long, under both Democratic and Republican administrations, Congress has allowed oversight to falter. This is particularly true in the area of foreign policy. The American people entrust Congress to uphold our values abroad and to keep them safe.

Oversight is a key function of Congress. It should shine a light on problems within government and ask tough and important questions. The American people expect their government to be held accountable.

They expect it to stay true to our values and follow the law.

This committee will conduct proper oversight over the executive branch. And wherever the facts lead, that's where we will go. I hope all the members of our committee will join me in viewing this mission through a nonpartisan lens. Issues like diplomacy and development are too critical to our national security to treat them otherwise.

So, we will follow the facts, assess the state of our foreign policy institutions, and discover where the problems lie. I plan on using our first year to take an in-depth look at our current situation and use the second year to look forward at where we want to go. Together, I hope we can answer questions like: "What does development look like in an increasingly complex world?" "What does a 21st century embassy look like?" And in the process, I hope this committee will develop a framework that *any* administration can use to modernize, reform, and strengthen the State Department and USAID.

I have no doubt that our discussions will sometimes become heated. But I will not tolerate personal attacks between members. The House rules forbid it. And I will also ask – and expect – that all members treat our distinguished guests with courtesy and respect.

And so, for our first hearing, we will begin with the oversight function.

We are joined by two exemplary public servants. The Honorable Heather Higginbottom is the Chief Operating Officer of CARE USA, one of the world's largest humanitarian organizations. She served as Deputy Secretary of State for Management and Resources in the Obama administration. The Honorable Andrew Natsios is currently the Director of the Scowcroft Institute at Texas A-&-M. He served as the 13th Administrator for the United States Agency for International Development.

I've asked our witnesses to lay out why the State Department and USAID are so critical to America's leadership. In the 21st century, there are many challenges facing our foreign policy. The State Department and USAID are not perfect or complete institutions, but they serve a critical function in our national security. In order to succeed in this increasingly complex world, both State and USAID will need to undergo changes to ensure America remains a world leader.

I look forward to hearing their thoughts on why State and USAID are so important and how Congress can ensure they thrive far into the future.

Thank you for joining us and I will now turn to our esteemed Ranking Member, Mr. Zeldin.

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