

SECRETARY OF STATE JOHN F. KERRY
TESTIMONY BEFORE THE HOUSE APPROPRIATIONS
FOREIGN OPERATIONS SUBCOMMITTEE
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Thank you Chairwoman Granger, Ranking Member Lowey.

Before I begin, I want to express my grief and anger over the terrible events that struck my home city of Boston earlier this week. I know just how resilient Bostonians are, and I've talked this week with friends and family still wrestling with what happened to children and loved ones. But Boston will not be intimidated by cowardly acts of wanton destruction. As President Obama said on Monday, we will not rest until we have gotten to the bottom of these bombings and the perpetrators have been brought to justice.

Turning to the business of the budget...I promise to remember the most important lessons I learned during my time in Congress. First, keep your remarks short so we can get to the questions.

And second, a lesson which has hit home particularly during my travels as Secretary: there really is no longer anything foreign about foreign policy.

As Senator Lindsey Graham has said very eloquently, America's investment in foreign policy is "national security insurance." He's right. If we can make the small smart investments up front, we can avoid much more costly conflicts and burdens down the road.

In the past few months, we have seen several developments that underscore the stakes for having a strong American presence in every part of the world. I've been in close contact with Congress, consulting on key developments at every step along the way—Representative Granger and I have spoken several times over the past few months.

American engagement was essential to the rapprochement between two of our close partners, Israel and Turkey—a positive step toward stability in a volatile region of the world.

This committee is well aware of the ongoing crisis in Syria. We have contributed nearly \$385 million in humanitarian relief to provide essential resources to the Syrian people, including sending flour to bakeries in Aleppo and providing food and sanitation in Atmeh refugee camp. I expect we will have the chance to discuss Syria at length today.

Having just returned from Seoul, Beijing, and Tokyo where the North Korea nuclear issue took center stage, we are reminded once again that America is the guardian of global security. We will not turn our back on the prospect of peace, but neither will we hesitate to do what is needed to defend our allies and interests.

All this speaks to why this budget isn't just a collection of numbers; it's an illustration of our values and priorities. Budgets, deficits, debt—these are weighty decisions, and I know each of you is grappling with them carefully.

We are grappling with them at the State Department too, and I think our proposed budget is responsive to and reflective of our national economic reality. As part of the President's budget, it will help cut our deficit responsibly while investing in areas that attract economic growth, create good jobs for American workers, and secure our national interests.

Our 2014 budget request represents a six percent reduction from 2012 funding levels. We have examined our request with a steely-eyed determination to improve efficiency and economize wherever possible. We have implemented reforms that reduce costs without jeopardizing vital contributions. This budget delivers maximum bang for the minimal possible taxpayer buck—actually, for about one single penny out of the taxpayer dollar.

Let me give you a few examples of the kind of high-impact, low-cost work we do every day to make the world safer. With just over \$3.5 million, the State Department's Bureau of Conflict and Stabilization Operations made key investments leading up to the recent elections in Kenya that helped prevent a repeat of the violence we saw five years ago.

Our anti-terrorism assistance funding has helped save the lives of hundreds of people in places like Pakistan, India, and Lebanon by training local law enforcement to detect and neutralize explosive devices.

Our 2014 budget request maintains our commitments to advancing peace, security, and stability in places where all three can be scarce commodities. I've already traveled three times as Secretary to the Middle East and North Africa—a region struggling to respond to its citizens' growing expectations for dignity and opportunity. Leaders there are making difficult decisions, and the United States cannot make those decisions for them, but we can do more to be a partner for all those on the side of freedom and democracy.

To that end, this budget includes a request for \$580 million for the Middle East and North Africa Incentive Fund so that we can help give reformers the tools and resources they need to make the right decisions on behalf of their citizens. This fund allows us to say to people in the region: "If you're willing to take on the deep-rooted challenges and make the tough choices, we are here for you."

When we look at the threats that emanate from failed and potentially failing states, we must heed the lessons of our past. The U.S. homeland will not be secure if violent extremists bent on attacking us find a safe haven in places like the Sahel or the Maghreb. The threats we're dealing with in that part of the world range from al-Qaeda rebels to narcotraffickers. This budget sets aside \$8.6 billion for our security, counterterrorism, and law-enforcement assistance. Compare that \$8.6 billion to the more than \$1 trillion we have spent fighting in Iraq and Afghanistan and I think you'll agree this is both a penny and pound-wise investment.

The simple fact is, the United States cannot be strong at home if we're not strong in the world. This is particularly true when it comes to our domestic economic renewal.

We need to do more to get out there and stoke our economic engines with the trade and business opportunities available in other countries. That's why the President is committed to successfully completing the Transatlantic Trade and Investment Partnership and the Trans-Pacific Partnership. We want to tap the growing markets of the Asia Pacific, which are vital to American economic recovery.

When it comes to shoring up our economic health and protecting our national security, our development work is one of our strongest assets. Let me be clear: development is not charity. It's an investment in a strong America and a free world. Eleven of our top 15 trading partners were once beneficiaries of U.S. foreign assistance. We can't afford to pull back. But that doesn't mean we won't work in better, smarter ways.

Let me highlight the reforms we are making with this budget to one of our most visible forms of assistance: U.S. Food Aid. By giving ourselves the flexibility to choose the most appropriate and efficient type of food assistance, the U.S. government will reach an estimated 2-4 million more people every year with the same discretionary funding. At the same time, we will save approximately \$500 million in mandatory funding over the next decade, which we will use to reduce the deficit.

American growers and producers will still play a major role in our food assistance. Over half the funding we are requesting for emergency food aid must be used for the purchase and shipping of U.S. commodities overseas. But by giving us the ability to modernize, including the flexibility to also procure food aid in developing countries closer to crisis areas, not only can we feed more people, we can get food to malnourished people 11-14 weeks faster. Here's the bottom line: this change allows us to do more to help more people lift themselves out of hunger and poverty without spending any more money. That's a great deal for the American taxpayer.

The final area I want to mention is how this budget cares for our most valuable resource: the brave men and women of the State Department and USAID. We have requested \$4.4 billion to fortify our worldwide security protection and improve our overseas infrastructure. \$2.2 billion of this is set aside for constructing secure diplomatic facilities. This is part of our commitment to implement in full the recommendations of the independent Accountability Review Board so that we can mitigate the risk of future tragedies like the one we suffered last year in Benghazi.

This has been a hard year for our State Department family...a family that knows how risky the work we signed up for can be in a very dangerous world. Just two weeks ago in Afghanistan we lost a bright, committed Foreign Service officer—Anne Smedinghoff. I met her on my last visit, and earlier this week, I sat with her parents. She was just 25 years old. She wanted to make a difference in the lives of people she had never met, and she was willing to take risks to do it.

Anne and Ambassador Chris Stevens really were cut from the same cloth. That's what made them such outstanding members of the State Department family, and such outstanding Americans.

As Secretary, my most important job is to protect the men and women under my watch so they can carry out their national security mission. But we cannot do it by retreating from the world. We stand for optimism and opportunity and equality. And we stand in opposition to all those who would replace hope with hate. That's what we believe—and those are the values the State Department and USAID defend every day. Thank you.

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