Written Testimony for

Admiral James M. Loy, USCG (Ret.) and General Michael W. Hagee, USMC (Ret.)

Co-Chairs of the U.S. Global Leadership Coalition's National Security Advisory Council

House Appropriations Subcommittee on State-Foreign Operations

March 14, 2013

Madame Chair, members of the Subcommittee. Thank you for the opportunity to testify today in support of the Fiscal Year 2014 International Affairs Budget. From the outset, some might wonder why the former commandants of the Marine Corps and Coast Guard are testifying in support of funding for the State Department, USAID, MCC, OPIC, TDA, the Peace Corps, and a myriad other non-military diplomacy and international development activities of the U.S. government. We are here to offer strong support of the International Affairs Budget out of the conviction that U.S. military strength is not sufficient to defend America's security, protect our most vital national interests, sustain and bolster economic growth and, in particular, address the deep-rooted causes of violence and instability around the world. To deal with these challenges the U.S. must balance strategically all three aspects of national power and international influence—defense, diplomacy, and development; what are often referred collectively as "smart power."

SUSTAINING AMERICA'S SMART-POWER – A DIVERSE COALITION

That is why so many retired flag and general officers, more than 120 in all, have joined the National Security Advisory Council to advocate for adequate funding of the International Affairs Budget. We are also here as part of a broader coalition with the U.S. Global Leadership Coalition, a nonpartisan organization whose allies include companies ranging from Boeing to Caterpillar to Walmart; private voluntary groups such as CARE and Catholic Relief Services, Save the Children and World Vision. In addition, our coalition includes the Veterans for Smart Power, nearly 30,000 veterans of all ages and ranks who share a commitment to elevating and strengthening our non-military tools of global engagement – alongside our military – so we can build a better, safer, more prosperous America and world.

This coalition of "strange bedfellows," as we have been called, is united in the belief that for too long the United States has underinvested in the very tools that are vital to our national security, our economic prosperity, and our moral leadership. We certainly recognize the fiscal challenges our nation is facing, and we know that you have difficult choices to make in the coming months. To be sure, every government agency deserves scrutiny of the costs and effectiveness of its programs.

Nonetheless, we are confident that a fair analysis shows that, at one percent of the overall federal budget, the International Affairs Budget is a smart investment in American global leadership that will pay ample dividends

down the line. So we respectfully urge you to do everything you can to oppose deep and disproportionate cuts to the International Affairs Budget that would damage America's ability to lead and engage abroad at a time when our country will need to do plenty of both.

MILITARY LIMITS

The complexities and dangers of the 21st Century, most of which cannot be resolved solely by military means, present risks to the United States that require adequately funded and properly staffed civilian instruments of diplomacy and international development. Yet, too often, the resources needed and capabilities available fall short. Those shortfalls could lead to real dangers for U.S. national security.

When both of us entered uniformed service more than 40 years ago, the primary threats to America were nation states with advanced militaries. Today, our country faces a different array of threats and potential adversaries – from rising powers and rogue nations to terrorist and militia groups that thrive in environments of deprivation and stunted development. We know that conditions of deprivation, rage, and despair can lead to crises, conflicts and threats that may eventually reach our shores or require U.S. military intervention, with all of its attendant human, political and financial costs.

Today, the American public is certainly weary of war and repeating another military-led "national building" operation on the scale of Afghanistan or an Iraq is unlikely in the foreseeable future. What is likely though -- even a certainty -- is the enduring need to work with and through local governments to avoid the next insurgency, to rescue the next failing state, or to head off the next humanitarian disaster. As former Secretary of Defense Robert Gates said earlier this year, "Development is a lot cheaper than sending soldiers."

For example, the wave of political change sweeping over the Middle East – a region in which the U.S. military has been engaged, at great costs, for more than twenty years – presents great promise, but risks as well, should instability and deprivation empower extremist and violent elements within those societies. By providing smart, effective assistance with governance and development, we can help the people of the Arab world build a better way of life, instead of allowing their countries to become breeding grounds for those who wish to do us harm.

And if armed intervention cannot be avoided, civilian capabilities are indispensable to the success of the military mission. As career uniformed leaders, we know better than most that the U.S. military, as highly trained and

professional as it is, remains fundamentally a blunt instrument. In times of humanitarian crisis, the military's unique logistics, organization, and manpower can get help fast to those in immediate danger or in need. Military power can deter or defeat aggression and maintain a modicum of security on the ground – at least for the short- to mid-term. However, American soldiers, sailors, airmen, and Marines cannot by themselves effectively reform a government, revive a shattered economy, or redress deep-seated political grievances.

Indeed, one of the most important lessons relearned once more in Iraq and Afghanistan is that conventional military victory – routing an enemy army or conquering a piece of territory – is not sufficient for long-term success. In fact, when U.S. commanders at every level were asked what they needed most to be successful in their area of responsibility, the answer was often not more troops or weapons, but more civilian experts – or even just one – in agriculture, sanitation, governance, development, local culture or politics. But too often, those resources were insufficient because the State Department and USAID were not sufficiently funded, staffed, and organized to play this role. And this was *before* the steep cuts of the last two years and the sequestration now in effect. All that our military instruments can do in conflict is to provide the time, space, and security for the other tools of American statecraft—especially diplomatic and development tools—to be successful. But when those other tools are underfunded, understaffed, and underappreciated, the courageous sacrifice of the men and women in uniform is often wasted.

ECONOMIC STRENGTH AND NATIONAL SECURITY

The difficult economic times that followed the 2008 financial crisis have placed a new and more intense focus on the relationship between American prosperity and fiscal soundness on the one hand, and national security on the other. We believe they are interrelated in critical ways, each dependent on vigorous U.S. leadership and engagement in the world.

First, and most straightforward, a strong and growing economy produces the revenue that allows our military to be ready, trained, and equipped with the capabilities needed to defend America's interests around the globe. Conversely, a weak economy leading to massive fiscal imbalances undermines America's influence and credibility on the world stage, which invariably undermines the deterrent power of our military as well.

That is why it is so important to cultivate untapped markets for U.S. goods and services overseas, which help to boost economic growth, create more high-wage jobs, and remedy America's trade and fiscal imbalances. More than one in five American jobs is linked to trade. Emerging economies of the developing world – already the destination of nearly half of all American exports – show the most potential. Nonetheless, conducting business in emerging economies can be challenging because of poor infrastructure, political instability, weak institutions, and the lack of basic health and education. Effective development programs funded in the U.S. International Affairs Budget spur economic reform, advance the rule of law, improve governance, and raise standards of living – building more peaceful, prosperous societies that desire - and can afford - American products and services.

The story of Colombia provides an important example in terms of both U.S. security and economic interests. Columbia has endured a narcotics-funded insurgency for decades that, in addition to the terrible violence inflicted on the Colombian people, fueled the illegal drugs market in the U.S. and threatened to destabilize other South American countries as well. Since 1999, U.S. development, governance, and security assistance helped Colombians improve medical care and education, cultivate alternative crops, and train competent judges and police who respect human rights. Levels of violence plummeted and today Columbia is one of the top ten export markets for American companies.

RESULTS-DRIVEN AID

During these difficult fiscal times, it is more imperative than ever for International Affairs programs, like every other part of our government, to be accountable, transparent, results-driven and reflecting the current needs and realities.

We are aware of the common criticism heard over the past decade that the U.S. government's international aid regime is too outmoded and uncoordinated for the challenges of the 21st Century. While arguably true to some extent in the past, this criticism does not take into account the significant steps forward by both Republican and Democratic administrations to reform U.S. foreign assistance in recent years. The Bush Administration, under the leadership of Secretaries Powell and Rice, sought to rebuild civilian capacity and launched the Millennium Challenge Corporation (MCC) and the Transformational Diplomacy and Development Leadership Initiative. The Obama

Administration formulated the first Presidential Policy Directive on Global Development, conducted the first Quadrennial Diplomacy and Development Review (modeled on the Department of Defense's QDR), and launched reform known as USAID Forward. These cumulative reforms are working to make U.S. assistance programs more effective, efficient, and transparent. (see attachment for more details)

The sum of these reform efforts suggests that, while no government program is perfectly efficient, transparent, or up-to-date, great progress has been made over the last decade to make America's International Affairs programs effective, relevant, and reflecting the key interests and best values of our people. In addition, as military veterans, we understand the need for strong civilian capacity in order to carry out these vital programs.

Our programs abroad harness the best of our fighting men and women, as well as our development professionals, particularly when they work together with the combatant commands to provide disaster relief and other assistance in the developing world. Admiral James Stavridis, the commander of U.S. European Command and Supreme Allied Commander of NATO has stated that, "We work very hard to support [US]AID programs. We work very hard to support State Department programs...The idea is not hard power or just soft power. It's finding that dial and setting it right so that we can support the development community." When we have this whole-of-government approach, our accomplishments are far greater and have a profound impact.

CONCLUSION

Madame Chair, at a time of economic distress and huge deficits that demand tough choices, it is tempting for elected officials to scale back on this country's engagement around the globe, in particular by making cuts to programs that support diplomacy and international development. Yet, too much is at stake to diminish U.S. global leadership and competitiveness in a world that is only growing more interconnected and interdependent – as well as more turbulent – virtually every day. With sequestration now in effect, the International Affairs Budget is already 20 percent below the enacted levels of just three years ago. We strongly urge you to support the investments contained in the International Affairs Budget and to protect these programs from further deep cuts. Doing so is vital for a more secure and prosperous America.

###