



**FY21 Appropriations State and Foreign Operations Subcommittee Hearing with  
Secretary of the Treasury Steven Mnuchin**

**March 11, 2020**

**Opening Statement of Chairwoman Nita M. Lowey**

The Subcommittee on State, Foreign Operations and Related Programs will come to order.

Secretary Mnuchin, thank you for joining us today.

The Administration's FY 2021 budget request, which proposes unsustainable cuts of nearly 20% to foreign assistance, demonstrates, once again, that the Administration does not value the impact of the global economy on our national security. Nor does it recognize the merits of poverty reduction through multilateral development.

Fortunately, this Committee does.

The Treasury Department's international programs are central to achieving strategic objectives overseas. Investing in these areas and our multilateral partners builds resilience and promotes stability that is essential to American interests.

The Administration's repeated attempts to end cooperation with multilateral organizations threatens our economic and national security and weakens our global influence and credibility.

This creates opportunities for other countries, such as Russia and China, to further encroach into areas where we have chosen to diminish our leadership on the world stage. As they continue to expand their reach, they will not represent American values or interests.

With the effects of climate change increasing, I'm worried about the message we send to the rest of the world by renegeing on prior commitments, such as cutting in half the U.S. pledge for the Global Environment Facility, providing less than half of the \$3 billion pledged to the Green Climate Fund, and withdrawing from the Paris Agreement. This is of particular concern given the Administration has touted that tree planting will solve our climate crisis.

Given that climate change will impact almost every program funded by this bill, I don't understand why the Administration refuses to stand behind commitments or make investments that could harness the power of U.S. businesses to innovatively address this challenge.

Further, by neglecting to contribute to the Global Agriculture and Food Security Program and the International Fund for Agricultural Development, this Administration signals a fundamental lack of understanding about the importance of risk mitigation and preparedness. Just as the novel coronavirus has disrupted markets, shocks like droughts, floods, or invasive pests can wipe out crops and contribute to food price spikes that quickly create conditions for instability, violence, and migration.

While we don't always know when these events will occur, we know there's an increasing likelihood they will become more frequent and severe due to climate change. When communities are prepared to mitigate the impact of such events, they are better able to prevent lasting effects that are costly and threaten our own security.

Diligence and leadership matter. We must demonstrate that the U.S. is a strong, reliable partner, just as we must stand, unwaveringly, behind our commitment to promoting democratic values. I am concerned about the Treasury Department's engagement in U.S. efforts to combat terrorist financing networks and enforce sanctions against rogue nations. While sanctions can be a valuable tool to mobilize governments to cease human rights violations and take democracy and rule of law seriously, the Administration's approach is neither consistent nor effective.

Not one of the dangers I have just outlined is positively addressed by your budget request.

As Chairwoman, I have every expectation that we will produce a bill that maximizes each taxpayer dollar while maintaining responsible investments with our multilateral partners.

Before we move to your testimony, let me turn to Mr. Rogers, the Ranking Member, for his opening statement.