

Testimony of Liz Schraye, President and CEO of the  
U.S. Global Leadership Coalition before the  
House Appropriations Subcommittee on State, Foreign Operations, and Related Programs  
Addressing the Topline 302(b) Allocation  
March 12, 2020

*For America's Interests, Reverse the Trend*

Chairwoman Lowey, Ranking Member Rogers: On behalf of the U.S. Global Leadership Coalition – a diverse network of over 500 businesses and NGOs and bipartisan leaders from across the country – thank you for the opportunity to testify about the important resources provided in the State-Foreign Operations Appropriations bill that advance America's security and economic interests and promote our values. Today, I ask that you **support a strong and effective International Affairs Budget funded at \$60 billion in FY21, including no less than \$57.4 billion for the FY21 State-Foreign Operations Appropriations bill**. This would restore funding to the FY17 total enacted level at a time of growing global challenges and opportunities for the American people.

I speak for our entire coalition in expressing gratitude for this Committee's and this Congress's uncompromising support for America's development and diplomacy tools and continued efforts to prevent deep and disproportionate cuts to these programs. Chairwoman Lowey, it has truly been an honor to work with you. Your decades of service to our nation and your extraordinary contributions to America's global leadership will endure long after you retire at the end of this year. While you will be sorely missed, the world is a better, safer place because of your leadership and the example of bipartisanship that you and Ranking Member Rogers have set – proving that politics truly does stop at the water's edge.

Given the strong bipartisan support for the International Affairs Budget in Congress – as well as among military, business, humanitarian, and faith-based leaders across the country – it is deeply concerning that the Administration is once again proposing to cut nearly a quarter of America's civilian global footprint. The Constitution gives Congress the power of the purse and under the strong leadership of this Committee, I am confident that Congress will follow its bipartisan playbook from the past three years and reject these dangerous cuts that put America's security and economic interests at risk.

**Holding the Line at Our Own Peril**

From the Freedom Caucus to the Progressive Caucus, there is broad bipartisan agreement that now is not the time to take our diplomats and development tools off the global playing field. The reality is, with unprecedented global challenges and growing great power competition, I fear that if we only seek to hold the line when it comes to funding the International Affairs Budget, we do so at our own peril.

The USGLC was founded 25 years ago at a time when our fellow citizens and even some Members of Congress were questioning the importance of an America engaged in the world. After we won the Cold War, some thought that we could pull back and reap a peace dividend. I

even recall Members of Congress bragging on the House floor that they did not own a passport. It was a dramatic shift from the days of the Cold War – when the clarity of a single enemy defined our foreign policy.

At that time, under President Ronald Reagan, our country's investments in international affairs spending as a percentage of GDP reached an all-time high at 0.6%. Today, in a world I would argue is far more complex and far more dangerous, that percentage has been cut by more than half. Given today's global realities, it is time to reverse this trend to protect America's national interests.

### **Global Challenges on the Rise**

It is not lost on any member of this Committee that the world has changed significantly since the 1980s. Any question of whether America could afford to disengage ended on September 11, 2001. Today, we are confronting unprecedented conflict and instability in all corners of the world – from Venezuela and the Northern Triangle in our own hemisphere, to Yemen and Syria, South Sudan and the Democratic Republic of the Congo, Iran and North Korea. The list of threats from extremism to infectious disease to climate migration grows by the day, not to mention competition from the rise of China and others.

While we could spend hours discussing the global landscape facing America, allow me instead to focus on three numbers that illustrate the growing challenges we face.

**The first number is 70 million.** This is the number of displaced people in the world today – the most since World War II – spanning from the Middle East to Africa to Southeast Asia to Latin America. In addition to this unparalleled humanitarian crisis, refugee flows threaten to cripple the economies of our frontline allies from Jordan to Colombia, not to mention the impact on our transatlantic allies. With estimates that climate change could displace more than 143 million by 2050 in Sub-Saharan Africa, South Asia, and Latin America alone, this crisis could become even more severe in the years to come.

**The second is 115 million.** That is the number of men, women, and children on the brink of starvation worldwide – a hunger crisis exacerbated by violence, conflict and climate change. Countries on the frontlines like Yemen and Somalia are not only some of the most unstable in the world, but are also breeding grounds for extremists. Food insecurity is one of the main drivers of instability, making the moral and national security implications of this crisis urgent.

**Lastly 327 million.** While the world is watching with horror the frightening speed at which the coronavirus is spreading, this is the number of Americans at risk of not only this, but the next global pandemic – which could be far more dangerous. In today's interconnected world, a deadly health threat anywhere is a deadly threat everywhere. Secretary of Health and Human Services Alex Azar has rightly said, "Infectious disease threats are not just a health issue, but a national security and foreign policy issue," and America's commitment to the global health agenda is more important than ever.

## **America's Interests at Stake**

**Protecting our Security.** Given the magnitude of global threats facing America, it should come as no surprise that our top military leaders are calling for increased investments in development and diplomacy to keep America safe. In a recent letter to Congress, former Chairman of the Joint Chiefs of Staff, Admiral Mike Mullen wrote that “the urgent and unpredictable threats our nation faces have only grown” and declared “this is a moment when **more investment** in diplomacy and development is needed **not less.**” We have heard this time and again from current and former military leaders who understand that our civilian tools are essential to combating threats before they reach our shores. According to the Institute for Economics and Peace, every \$1 invested in prevention saves \$16 in response costs – and that means fewer American lives at risk.

**Economic Future.** By holding the line, we also risk missing critical economic opportunities. The Administration's National Security Strategy is all about responding to great power competition. During his 15-minute speech at the Munich Security Conference, Secretary of Defense Mark Esper mentioned China more than 20 times. With 95% of the world's consumers outside the United States, we are in a global competition to reach America's next customers and export markets. But while China has doubled its diplomatic budget over the last five years and is investing over \$1 trillion in its Belt and Road development initiative, America's investments have barely kept up with inflation over the past five years. While we cannot and should not try to match China dollar-for-dollar, it is imperative that we keep pace with growing global challenges.

## **Investing in What Works**

The good news is that our development and diplomacy programs are no longer your grandparents' foreign aid – they are seeking to provide a hand up, not a handout for millions around the world while advancing America's interests. Over the past two decades, Republican and Democratic administrations and Members of Congress have worked together to transform foreign assistance – making it more effective, accountable, transparent, and data-driven to deliver greater results.

**Effective and Accountable.** For the past four years, the Millennium Challenge Corporation (MCC) and USAID have been ranked 1<sup>st</sup> and 2<sup>nd</sup> across the federal government by the Federal Invest in What Works Index for their use of data and evidence to make budget and policy decisions. The result has been unprecedented, transformative progress throughout the developing world: U.S. assistance has helped cut the number of people living in extreme poverty by half, reduce child mortality rates by 50%, and double the average incomes of the world's poorest.

**Delivering Results for America.** At the same time, these programs are delivering results for the American people. After the Korean War, the United States helped to stabilize South Korea through economic investment and humanitarian aid. Today, South Korea is not only a key security partner but also our seventh largest export market, buying more than \$60 billion in U.S. goods and services annually. Each year we sell more to South Korea than the total amount we invested decades ago. This story is repeated time and again when we recognize that 11 of our top 15 export markets were once beneficiaries of U.S. foreign assistance.

## **An Issue Americans Can Rally Around**

The USGLC hosts hundreds of forums and roundtables across the country – talking with citizens from the Heartland to the South to the coasts about why leading globally matters locally. Over and over again, we hear our fellow citizens share how what happens overseas affects us here at home – but they also share their concerns that American influence around the world is waning and that we are losing out to China, Russia, and even Europe.

It is not surprising, therefore, that a recent annual survey by the Chicago Council on Global Affairs found that seven in 10 Americans believe that the U.S. has to take an active role in world affairs. Except for the period after 9/11, there has never been a time when more Americans agreed on this issue since the Council started the survey nearly 50 years ago.

It should also come as no surprise that for 40 years polls have shown that Americans think we invest 20-25% of the federal budget on development and diplomacy – when in fact it is just 1%.

## **Advancing America's Interests**

Each year, Congress faces the difficult task of distributing finite resources across many priorities. Last summer, Congress and the Administration took important action by reaching a bipartisan budget deal that increases overall non-defense discretionary spending in FY21 by \$2.5 billion compared to FY20. I urge Congress to prioritize funding for the FY21 State-Foreign Operations bill when allocating these additional resources.

President Reagan understood that peace through strength meant more than just investing in our military tools, asserting: “The ultimate importance to the United States of our security and development assistance programs cannot be exaggerated.” Reagan was right then, and he is right today.

To meet today's growing global challenges, it is imperative that we provide the resources needed to advance America's interests. There is a strong bipartisan legacy in Congress of strengthening our nation's development and diplomacy programs – from enhancing our development finance toolkit, expanding access to basic education, electrifying Africa, combating global fragility, empowering women and girls, and ensuring transparency and accountability in our foreign assistance, to name a few. I am certain this bipartisan legacy will continue long into the future, but it will also require prioritizing resources so that these critical programs are not the last to be recognized. A small investment will go a long way to reverse the trend that has seen international affairs spending as a percentage of GDP significantly decline since the Reagan years.

The USGLC is deeply grateful for your unwavering support of America's international affairs programs and your commitment to strengthening the critical resources needed to advance America's global leadership. Our coalition looks forward to working closely with you and your colleagues in the coming weeks and months to ensure that funding for the FY21 State-Foreign Operations bill reflects the unprecedented challenges and opportunities we face today to advance America's interests in the world.