

STATEMENT BY THE  
U.S. COMMISSION ON NATIONAL SECURITY/21<sup>ST</sup> CENTURY  
BEFORE THE  
HOUSE BUDGET COMMITTEE  
MARCH 15, 2001

Mr. Chairman.

Thank you for your invitation to testify before your Committee and the opportunity it gives our Commission on National Security/21<sup>st</sup> Century to lend our support to Secretary Powell's call for a significant increase in the resources for the Department of State.

Our Commission focused on this century's remarkable opportunities for increasing economic growth, spreading freedom, and ending conflict. But serious threats are also on the horizon from growing economic disparities, the spread of crime and violence, and the proliferation of dangerous weapons. The State Department and U.S. embassies overseas will be key to this nation's ability to respond to both the opportunities and dangers. Especially important will be funds to undertake preventive diplomacy, provide for the security of American officials abroad, remove the shortfalls in personnel and operating expenses, and install "state of the art" information technologies.

The problem is that today the State Department is a crippled institution. It suffers, in particular, from an ineffective organizational structure where leadership and sound management are difficult to exercise. Responsibility and accountability are lacking. Foreign assistance programs and crisis response capabilities are dispersed among multiple State and AID officials. Strategic planning is divorced from the allocation of resources.

As a result of these deficiencies, confidence in the Department is at an all-time low. A spiral of decay has unfolded over many years in which those in the Congress, reacting to inefficiencies with the Department, have consistently underfunded the nation's needs in the areas of representation overseas and foreign assistance. That underfunding, in turn, has deepened the State Department's inadequacies. The Commission believes strongly that this spiral must be reversed.

Our Commission, in consultation with a wide variety of experts, came to the conclusion that what is needed is a fundamental restructuring of the Department. Only with such a complete overhaul can you in the Congress have confidence that the resources provided will be used effectively to carry out the nation's foreign policy in the 21<sup>st</sup> century.