



U.S. DEPARTMENT of STATE

KEYWORD SEARCH

[Subject Index](#)+ BOOKMARK    ...[Home](#)[Issues & Press](#)[Travel & Business](#)[Countries](#)[Youth & Education](#)[Careers](#)[About State](#)

You are in: [Bureaus/Offices Reporting Directly to the Secretary](#) > [Office of the Coordinator for Reconstruction and Stabilization](#) > [Releases](#)  
> [Remarks](#)

## Strengthening U.S. Reconstruction and Stabilization Capabilities

### Ambassador Carlos Pascual, Coordinator for Reconstruction and Stabilization

Address at Joint Event of the Center for Strategic and International Studies and  
Woodrow Wilson International Center for Scholars, Washington, DC  
October 20, 2004

**MR. BARTON:** Welcome you all -- everybody's welcome to CSIS this afternoon. Thank you so much for coming. It's great to see this growing community of people who have a commitment to this issue. We're very pleased to have you here today. I'm Rick Barton, the co-director of CSIS's Post-Conflict Reconstruction Project, and my co-director is Sheba Crocker, who is here in the first row and many of you know, as well.

On behalf of John Hamre and Kurt Campbell, I'd like to welcome you all and make a few special introductions to get things started. First off, there are many long-time leaders on this subject here today, but I'd like to acknowledge you all by recognizing one of the members of our AUSA/CSIS high-level Commission that started this work about four years ago, and that's Chet Crocker here in the first row. (Applause.) Also, one of our former co-directors of this project, Johanna Mendelson Forman. (Applause.)

We'd like to thank our core funders who made this program possible really all these years and not just today -- the United Nations Foundation, Better World Fund, the Hewlett Foundation and also the Carnegie Corporation of New York. Their generosity has really made a difference to the work of so many people in the room.

And then, of course, I'd like to thank our co-sponsors today, the Wilson Center and Anita Sharma, who has been our partner in this. (Applause.)

Many of you will notice that you have one of these three-by-five cards. These are for the question and answer period. If you would please fill them out as the program is going, so that we have a little backlog of them when Carlos finishes his speech. I'll just read the questions, and we'll keep the program moving a little quicker that way.

You should also have a form like this, that is -- if you want to receive a twice-a-week brief, that has a lot of information, and we'd be more than happy to put you on this e-mail list. And you should get that in your office or home.

Whenever there's an issue of great significance and a need for thoughtful leadership, our country has wisely turned to Lee Hamilton. Knowing that he is focusing on post-conflict reconstruction is further evidence that the United States and the international community are about to make large improvements in the way we have faced and are facing the enormous challenges of conflict and transformation.

Congressman, welcome. Nice to have you here today. (Applause.)

**CONGRESSMAN HAMILTON:** Good afternoon to all of you. Rick, thank you very much for your words of introduction. It's my pleasure to present Ambassador Carlos Pascual, the Coordinator of the new Office of Reconstruction and Stabilization at the Department of State.

Let me first say how very pleased we are at the Wilson Center to partner with CSIS in sponsoring this event and how gratifying it is to see so many of you here. I want to acknowledge the outstanding work done by Rick Barton and Sheba Crocker for arranging this event on Post-Conflict Reconstruction Project at CSIS. We have the good fortune at the Wilson Center to have a program there very ably led by Anita Sharma, and the two of these young women have made a dynamic duo, we think, in putting all of this together.

I would be remiss, surely, if I did not express a word of appreciation to John Hamre, who leads the CSIS with great distinction in many fields. We appreciate his leadership.

Over the last decade, the U.S. has continually been put to the test in post-conflict situations. From Haiti to Afghanistan, Kosovo to Iraq, the burden on America has only increased when the shooting stops. The challenges in these situations are great, of course. Restoring and maintaining security, moving towards political solutions, jumpstarting economic reconstruction are three of the most evident tasks. This takes resources, time and a diverse set of skills and capabilities. It also demands cooperation and coordination across the United States Government, and sustained coalition building with allies abroad.

Our response cannot be ad hoc. In an uncertain world, perhaps the only certainty is that the United States should expect to become engaged in dangerous and unstable situations. When called upon to do so, our response must be swift. And when we undertake massive efforts such as those under way today in Afghanistan and Iraq, we must draw upon careful planning, considered policy-making, a lot of very talented people, and of course patience. And that is why, for me at least, it is so very heartening to see post-conflict work institutionalized within the Department of State.

The Office of Reconstruction and Stabilization responds to a widespread and I think bipartisan consensus that the United States can and must do better at organizing government to succeed. It establishes a focal point where conflicts can be monitored, responses planned, and action coordinated.

Today we are pleased to co-sponsor the Office's first public event. This provides a unique opportunity for the Office to present its goals and for you to learn more about this important work. To advance our understanding, we are pleased to have with us the first Coordinator of the Office of Reconstruction and Stabilization, Carlos Pascual.

Ambassador Pascual has had a distinguished career as a diplomat and as a coordinator. In 1983, he began more than a decade at USAID that would include service in Sudan, South Africa, Mozambique, culminating in 1994-1995 with his service as Deputy Assistant Administrator for Europe and the New Independent States. In the 1990s, he would go on to serve as Director for Russian, Ukrainian and Eurasian Affairs at the National Security Council, and then, Special Assistant to the President and Senior Director for Russia, Ukraine and Eurasia. From October 2000 to August 2003, he served as the U.S. Ambassador to Ukraine. In September 2003, the Ambassador was named Coordinator for U.S. Assistance to Europe and Eurasia, managing the allocation and implementation of over \$1 billion in annual assistance. He became the first Coordinator for Reconstruction and Stabilization

in August 2004. Mr. Ambassador, we welcome you and we look forward to your remarks. Most of all, we wish you great success in your new office.

And I'm going to break every rule of protocol by leaving after I introduce you (laughter) because there's a little conference on Capitol Hill that I have an interest in (laughter) and I am proceeding up there forthwith. Thank you. (Applause.)

**AMBASSADOR PASCUAL:** Thank you very much. Thank you to all of you who were willing to come out today on a rainy afternoon -- or close to rainy afternoon. Thank you to Congressman Hamilton. Indeed, he's one of those people that have this incredible efficiency about him. In 1999, when I was at the National Security Council, I was asked to brief him on a Sunday morning before he went on the usual Sunday talk shows. And I was asked to call at a certain time at his house. I called. He picked up the phone, he said, "Here are the following issues on Russia. Here are the answers on Russia. Is that right?" "Yes, Mr. Congressman." "Good." (Laughter.) He was perfect. (Laughter.)

But thank you to Lee Hamilton, to the Wilson Center, to CSIS for hosting this. We are extraordinarily appreciative. And while John Hamre was not able to be here today, he's been extremely gracious with his time, and indeed, hosted a session for me with a number of senior former military officials, which is extremely useful to me, the other night.

We've already heard about the great work that Rick Barton and Sheba Crocker are doing, and I again reiterate that, indeed, much of that work has become a practical foundation of what we are using in our office on a day-to-day basis to guide our activities. So thank you for what you've done.

To Anita, thank you for working with them on pulling this together. We hope that we can continue to work with you as a way to facilitate a dialogue in a community like this, because on an issue of this complexity, we indeed need a dialogue.

And to those on the Post-Conflict Reconstruction Commission, this bipartisan commission has just done a phenomenal job of giving structure to a topic which is extraordinarily complex, that covers everything from transitional security to questions of humanitarian aid, and infrastructure, and governance, and justice. And their ability to bring a group of experts who could look at this, give those topics meaningful dimensions, and to analyze how to most effectively phase in assistance on these issues over time has been an extraordinary contribution to all practitioners in this field. So thank you very much to all of you who have been involved in that.

Not far from here, the words of Franklin Roosevelt are etched in his memorial, that "the structure of world peace cannot be the work of one man or one party or one nation. It must be a peace that rests on the cooperative efforts of the whole world." And around these words, the United Nations developed based on a concept of preventative diplomacy. Essentially, that if nation-states could scrutinize each other's actions, that such peer pressure can mitigate egregious and aggressive behavior, such as led to the world wars of the last century.

As relevant as these precepts remain today, we need new tools to address the new challenges in our diplomacy. With the end of the Cold War, many internal tensions within countries, previously suppressed in the name of global stability, are no longer stifled. For those with no global stake in international fora, the threat of international sanction holds little sway. For rogue states or failing states with leaders grasping to maintain power, the concept of national actors advancing national interests simply does not pertain. Moreover, with globalization, we have seen that actions within a nation or region can reverberate globally with implications for personal security and economic security here at home.

My point is not nostalgia for the predictability of the Cold War era; rather, it is to underscore that we face new diplomatic and foreign policy challenges that affect our national interests, and we need new tools to address these challenges. We need tools that

can influence choices that countries and people make about the nature of their economies, their political systems, their security, indeed, in some cases about the very social fabric of a nation.

In this world, the era of the brilliant diplomatic demarche is not necessarily over (laughter), but we realize that we can do a great more to prevent conflict, or ensure a meaningful and sustainable peace after conflict, if we have people and resources to help others shape and implement their choices about the future. And it is, hence, in this context that a Cabinet-level decision was taken at the National Security Council in April to create the Office of the Coordinator for Reconstruction and Stabilization in the State Department. It is an office in the State Department, but it is interagency in character and in function.

In character in that we have members of our staff from the Department of Defense, both civilian and military; from USAID; the Department of Treasury; the CIA. Soon the Department of Justice will assign somebody to us; the Army Corps of Engineers.

It's interagency in function in that it has a responsibility of coordinating among civilian agencies for reconstruction and stabilization activities, and coordinating between those civilian agencies and our military colleagues. We have a responsibility to coordinate with partners outside the U.S. Government and with international partners.

We are *not* involved in Iraq and Afghanistan. There are other parts of the U.S. Government that have established the mechanisms to deal with those issues. But otherwise, we have a broad mandate, indeed let me share with you a few [slides](#)\* that can, I hope, structure our discussion today and in the future, as well.

[\*The HTML version of the slides is linked from within the text of this transcript at appropriate points. You can also access the entire collection at The slides are also available in [PDF](#) format. To view PDF files, you must have the free [Adobe Acrobat Reader](#) software installed on your computer.]

Can you see 'em? (Laughs.) No. We'll begin and the slides will catch up with us, I'm sure. (Laughs.) We've been given a [mandate](#) to lead and coordinate and institutionalize a U.S. Government civilian capacity to prevent and prepare for post-conflict situations, and to help stabilize and reconstruct societies in transition from conflict and civil strife so that they can reach a sustainable path toward peace, democracy and a market economy.

A couple of pieces of this to emphasize – one is institutionalize. This cannot just be something that is passing. It must become a basic function of what we do within government. It is critical that we have the capacity to prepare, prevent if we can, but also to reconstruct and stabilize, which means that we have to act quickly if we're going to be relevant. And indeed, preparation and speed are inter-related.

We have also stressed the importance of thinking from the outset about what it's going to take to put a country on a path toward being a peaceful, democratic and market-oriented state. That is not to say that this office is going to take a country or lead a country to that point, but if we don't ask those questions from the outset we will make wrong choices from the outset, choices that then become harder to fix as we move forward.

In terms of the [status](#) of our office, we're young. We were essentially just created in July, August of this year. We currently have 30 staff from the various agencies that I mentioned. We've been able to make, I think, considerable progress in establishing interagency relationships; improving relationships between the civilian world and the military world, particularly as we look at planning issues; in establishing contacts with the international community; to begin those contacts that we have to make with the nongovernmental community here at home. But that is indeed just the starting point.

And we have been asked by the Principals at the National Security Council to come back to them with a proposal on how U.

S. stabilization and reconstruction capabilities should be expanded in order to strengthen that capacity to respond quickly and effectively and deliver services on the ground that can ensure a successful result. And in that spirit, I'm here today to lay out for you some of our thoughts -- and I stress these are thoughts -- on how the office would develop. And we look forward to getting your feedback and reactions, not just today, but over a longer period of time, as well.

Now, a couple of factors in the development of our office. First, two key [assumptions](#): One is that we believe it is absolutely crucial to develop the capability to concurrently manage two to three operations – stabilization and reconstruction operations – at the same time. If we look over the past 15 years, the United States has been involved in some significant way in 17 different stabilization and reconstruction operations. This is not just Iraq and Afghanistan. It's also Haiti and Somalia and Kosovo and Bosnia and Cote d'Ivoire and Mozambique, East Timor and a host of others that many of you can name. What we've also seen is that these reconstruction and stabilization operations have generally lasted for five to seven years.

So, what are the implications of this in order to institutionalize the capability? The first of these is very straight-forward. This cannot be the work of one office alone; it must depend on a whole range of partners within the U.S. Government and outside of the U.S. Government. And we must build all of our capabilities if, indeed, this Office for Reconstruction and Stabilization is going to be able to play an effective coordinating role.

It also means that we need to develop the management structures that allow us to phase in and phase out our stabilization and reconstruction capabilities, because if we don't have the capacity to transition to normal institutional management mechanisms, we will simply consume all of our stabilization and reconstruction capacity in one or two operations and not be prepared to deal with the future.

Now, as we look ahead, there are [five key areas](#) that we have proposed as a core set of functions for this office. The first is to monitor and plan. The second is to be able to mobilize and deploy our resources. The third is to be able to prepare those resources and skills so that we are able to move quickly. A fourth is to learn from experience and to apply that experience. And a fifth is to coordinate with our international partners. If we had the slides working, you could have seen that. (Laughter.) Will we have handouts that we can give people?

**STATE DEPT STAFF:** We'll get handouts.

**AMBASSADOR PASCUAL:** Okay, very good.

**AMBASSADOR PASCUAL:** Good. We'll also get it around by e-mail. Let me take a few of these in a greater level of detail, if I might.

The first is the importance of [monitoring, early warning and planning](#). There are two aspects of the planning process that we are looking at: a military-led planning process and a civilian-led planning process. And the basic principle is that we should be involved in each other's processes.

Now, the military, as we all know, has consistently been working on planning. That is a core function of what they do. They plan and they exercise. And a key requirement that we see is the importance of having civilian participation in that process.

Up to now, we have not been organized to allow ourselves to do that, and so what we have proposed is that my office can be a central coordinating point to facilitate the participation of civilian teams in military planning and exercises that are – that are specifically related to stabilization and reconstruction. Up to now, that has been extremely warmly received by our colleagues in the Office of the Secretary of Defense, at the Joint Chiefs of Staff, in meetings that we've had with the European Command and

the Joint Forces Command, and we're moving to take steps to find a way to effectively formalize that.

On the civilian planning side, we have already begun a process with the National Intelligence Council to identify every six months a group of countries that they consider to be at the greatest risk of instability. We've asked them to look at classified and unclassified sources, and to come back to us with their recommendations. And from that group, we will identify a limited number of countries around which we will focus a more intensive planning process, planning both to look at how one might avert or prevent or mitigate a crisis, and planning to deal with contingencies if that crisis should in fact develop.

In doing this, it is going to be absolutely crucial that we work first of all in partnerships with Regional bureaus, because in the end, they're going to be responsible for the development and management of policy, and they have to buy into this process. It's crucial as well that we work together with the interagency community to build in its expertise.

But we also need to be realistic. As we began developing our planning ideas, Secretary Powell called me and Mitchell Reiss, with whom we're also working on these issues, into his office. And he said, "Look, I spent my entire military career working on planning, and one of the things that you never do is pick the right country. You never get the next country right." (Laughter.)

But what happens is that if you plan and you exercise, you come to understand who all the key actors are. You develop an understanding for how you respond, and you have a certain agility and nimbleness, so that when you're actually faced with a real-life situation, you're not figuring it out for the first time on how you're going to deal with that kind of a crisis.

And indeed we have to keep that in mind. So, we will of course, when we look at these countries for planning purposes, look at ones which are relevant to the U.S. Government, but we're also going to look at ones where we will be able to learn from them, with a certain degree of humbleness, about whether or not we're picking the exact countries where the next crisis might actually take place.

The other thing that's important about picking countries is that it forces us to make trade-offs. You know, there's an argument that develops of whether or not you should have generic planning or planning that focuses on specific country issues, and one of the things that we learn all the time is that when we get into generic discussions, we always come up with the right answers. We know when the peacekeepers end their responsibility. We know when the international civilian police take over their responsibility. We know exactly how to train indigenous police. And it only becomes those real-live country situations when we start to force all of the actors to think about the trade-offs, that we understand where the gaps are between our assumptions, and that is a critical thing that we need to do in order to make our planning effective and realistic.

Now, beyond planning we need to have the capability to [mobilize and deploy](#) quickly and effectively. Let me first deal with the Washington aspect – Washington management aspects of this. And again, I stress from the outset the importance of combining the Regional bureau policy capabilities with the country, with the technical skills, with the interagency skills and the international relationships that my office can bring to bear, and the challenge is to bring the two of these together effectively. And let me use the following chart as a way to try to illustrate this.

If you look on the left-hand side of the [\[flow chart\]](#) page, it describes a policy-coordinating committee that I jointly chair with Clint Williamson of the National Security Council on stabilization and reconstruction. That policy-coordinating committee has eight different working groups on the kinds of topics that you might imagine, from transitional security to humanitarian issues, to infrastructure, to justice issues, monitoring and intelligence issues, management issues. There are important questions that are not necessarily addressed here, like strategic communications, and we're still debating whether we deal with an issue like that as part of a civil society program or separately. But these are questions that have to be on the agenda.

Most of you are also aware that most Regional bureaus have a policy-coordinating committee where they deal with country-

specific policy questions. And the worst thing to get in a crisis situation, where there's a great deal at stake over an individual country, is to have dueling policy groups trying to figure out who is going to take the lead. And so what we have proposed for consideration—and again, I stress this is a proposal and we're seeking ideas and reactions to what people think about this-- that when the Secretary of State and National Security Council deem that it is critical to focus attention on a country for stabilization and reconstruction purposes, that we do from the outset what in many cases has eventually become our policy 6 or 8 weeks down the road, and it is to create a Country Reconstruction and Stabilization Group.

I would jointly chair that group with the Regional Assistant Secretary. The Regional bureaus in the State Department would name a bilateral policy director. I would name a chief operating officer. One of the first things that we would do is look at what the key goals and objectives should be in that particular country and what the skills are that need to be brought to the table. And indeed, my job will be to bring the people with those skills in the interagency and international relationships so that we have the capacity to address the technical problems in front of us, but that over time that we are injecting as well the lessons learned from what has worked and not worked so that we're not constantly recreating the wheel every time we get into one of these situations. And this group would become the basis for managing the policy upward, as well as giving practical guidance to the field, as well.

Now, if that's the Washington end, you need the capacity to act effectively and quickly in the field, as well. And let me take you to the next slide.

There are [three pieces](#) of this that are particularly key. First of all, those capabilities that need to be within government in order to be able to respond quickly; secondly, the partnerships that we develop outside of government with the NGO community, with firms, with think tanks, with universities; and thirdly, the availability of resources to make this all work. I want to underscore the importance of the thinking that has gone behind S.2127, a bill that has been proposed by Senators Lugar and Biden in what has truly been a bipartisan initiative. And that bill, in particular, proposes the creation of a Stabilization and Reconstruction Fund, with added flexibilities and authority, which would be a marvelous asset in allowing this kind of an approach to work. Now let me go into some of these pieces in a little bit more detail.

We've laid out [four levels of capabilities](#) here that we think are crucial. And I don't want to overly complicate the world, but at the same time, we found that these are realistically different kinds of capabilities that we have to create or establish.

The first is a core capability for leadership and coordination. And that is my office and the role that we play. We are the ones who need to make sure that all of these resources can be brought together effectively and delivered on time, whether that means management of Washington task forces, management in the field, leadership of bringing interagency teams to the field, undertaking the kinds of monitoring and planning functions I mentioned earlier, international coordination and strategic communication. As I said earlier, our staff right now is at about 30. Our target is to grow to about 45 by the end of March. We are developing proposals for an expanded office for the future. I can't give you numbers for that right now because they're not approved internally within the Administration, but I want to give you a sense of what kind of direction and dynamic we're moving toward.

Now, secondly, we've come to recognize that in any stabilization and reconstruction situation we almost always have to strengthen our diplomatic operations on the ground. In some cases, such as Afghanistan, there's been a military action, and we have had no embassy. In effect, what has happened is the civilian world cedes to the military the need to take the lead in on-the-ground diplomatic functions. In other cases—Haiti or Liberia—where there's been an insecure situation on the ground posts have often been drawn down significantly, and suddenly they find themselves with tremendous challenges without adequate staff to support them.

And so the concept that we are developing is to create in the State Department what we call an Active Response Corps. This

active corps would first participate in training and exercises sponsored by my office. They would be – Individuals would be assigned to regional and functional parts of the State Department, perhaps some to Regional Combatant Commands, with the understanding that they would participate in regular exercises with our office. And then, if you need to, on an emergency basis, strengthen the diplomatic capabilities on the ground, we would be able to draw from this group and put them on the ground quickly without having to search through every single part of the State Department in order to establish our diplomatic presence.

If you also might imagine half of this group being Foreign Service and half of it being Civil Service. That over time there would be a core group that is rotating through this active corps and moving into a Standing Reserve Corps, so that over several years, it is not unrealistic that several hundred people could be available to fill in behind that initial team of first responders who have already been trained in these kinds of skills and capabilities.

Now, that delivers the capability to have people on the ground who can work on political processes: peace negotiations, with the United Nations, in developing an economic strategy, and analyzing the conditions on the ground. But it doesn't deliver programs. And hence, what we've also proposed is creating, in effect, a stronger technical core in those agencies and organizations that are responsible for the long-term implementation of programs on the ground.

And the reason for this is that if an agency or organization is going to be responsible for the long term, let's help them develop the capability to also be involved in the design and management from the beginning, so that you have a continuity of management and accountability, and we don't create these situations where you have one organization that's designing, handing over to another, and then creating a process of finger-pointing when things go wrong.

What we've done is begin with the issue of transitional security, and the reason that we started with that is that we have come to understand that if you can't create a basically secure situation on the ground, it is so difficult to undertake the other kinds of activities that are necessary for reconstruction. And so we've identified additional staff where we think we need to make investments on international police capabilities and law enforcement, on the rule of law, and certain quick implementation programs related to humanitarian assistance, governance, provision of community-based assistance, such as the Office of Transition Initiatives that USAID provides right now.

Now, that gives us the capability to be able to draw from the U.S. Government, to have people who can quickly be put in the field to design programs and to ensure their management. The question of implementation is usually still yet another challenge. And so we've begun a process of ensuring that we have a global network of contracts and grants and cooperative agreements with firms and individuals and think tanks and universities and NGOs so that these are pre-competed in advance in core skill areas, so that individuals are identified, and when indeed it is necessary to deploy a team of individuals to the field, that you can go to those contracts and perhaps cut off three to six months in your response time by having these activities pre- competed in advance.

Now, of course, this only works if you have money, and hence the importance of the Stabilization and Reconstruction Fund that is proposed in the Lugar-Biden bill. In that bill they propose \$100 million. The way that we would propose utilizing that is to be able to take \$30- \$40 million, if we have a situation in a particular country, and be able to put it into these contracts and finance the initial deployments on the ground so that, in effect, we would get an additional 4 to 5 weeks to do what we unfortunately always have to do in the U.S. Government--of looking at all of our accounts to see where there may be resources that we can reprogram for other priorities--or if indeed it's necessary to seek some form of supplemental appropriation.

I would love it to think that I would be able to get a billion dollars of unearmarked money for this kind of activity. (Laughter.) Your response reinforces the knowledge that we all have of getting those kinds of resources at this current point in time.

Now, the third area that I just wanted to underscore is the importance of [coordination](#) with the international community. And indeed, what we found as we've looked at the experience over the past 17 years is that in virtually every case, the United States has been involved in some form of deployment with other countries, with other organizations, and it is absolutely crucial that we find the ways to work with them effectively and that we're not reinventing these international relationships over and over again. And hence, we've begun a dialogue with the UN, with the EU, with key partners in countries such as the UK and France and Germany.

I would say that we have received an absolutely uniformly warm response from every place that we have come, that this is an absolutely crucial requirement that we develop in today's capacity to respond to international foreign policy challenges. And we will continue developing these capabilities over time.

Now, in the handouts that we'll give you, there is a hypothetical example that we've laid out here that starts to look at how we might bring these capabilities together. And because of time constraints I don't want to go into details of the example right now, but I will highlight just a couple of points.

The first is the importance of planning and the fact that, with these kinds of capabilities, if we can do what we've laid out here, that we will be able to, from the outset, engage in joint civilian and military planning so that those capabilities are integrated with one another.

Secondly, we're looking at the development of a concept of an advance civilian team. As I've said to some of my colleagues in the military, if we can figure out a way to embed CNN, we need to find a way to embed the State Department. (Laughter.) And so, what we are looking at are the kinds of teams that could be put together with political officers, economic officers, disaster specialists from AID, people from the Office of Transition Initiatives who have experience in administering small grants in transitional situations so that we have individuals who, from the beginning of a military action or even in peacekeeping actions, can from the outset engage in civilian stabilization activities right from the start and assist – and essentially be able to take those responsibilities away from military officers who have other responsibilities on the ground.

Now one of the other very important things of this is going to be that having people on the ground from the outset will also help us inject greater on-the-ground realities into our planning because no matter how much advance planning that you do, you always have to check it with what's on the ground, and this will give us a greater capability to do so.

The third thing that I would mention in this example is the importance of having a quick-deployment diplomatic capability. And if you have that, it not only strengthens your diplomatic presence and your ability to undertake those diplomatic functions with civilians, it creates a greater capability to coordinate on the ground with civilians, the military, international organizations and nongovernmental organizations, and I think all of us will benefit from that.

What we would hope is, by developing these capabilities and putting them in place and deploying them up front, that it will significantly enhance our prospects for success down the road.

Now, I've obviously oversimplified in any kind of an example that I've laid out and in the capabilities that I've been laying out here. There are a whole series of issues that I haven't even touched on, such as the timing of UN or World Bank needs assessments or when you do a donors conference or on DDR activities; how you ensure that the disarmament and demobilization activities are truly linked to a job creation program so you actually can reintegrate people into the economy. We haven't talked about political transition processes or how to ensure transitional security. These are the kinds of topics that we have to really explore in detail and develop in detail. And, indeed, we're extremely indebted, again, to the work that CSIS has done in the "Winning the Peace" book for the matrix that you developed there. We literally use that as a day-to-day guidepost on how we think about these issues.

What I'd like to do before I close is just highlight a couple of broader issues and questions that we are working on and where we need your help.

The first of these is conflict prevention. I think everybody considers prevention preferable to having to engage in resolving a conflict and stabilization and reconstruction afterwards. Sometimes it's also the hardest thing to do. We know a great deal about long-term preventative actions, and indeed in the Global Development Center's recent report on conflict issues, they do an outstanding job of highlighting there the kinds of investments that need to be made to, over time, reduce the prospects and the likelihood of conflict. But for a failing or fragile state, a state that is in the grip of internal conflict, these issues are a lot more difficult.

What we've come to learn over time--and in a sense this is the Millennium Challenge Account formula--that in order to succeed, you need political will, you need political leadership, you need credibility of the state, you need ownership for a policy or strategy, which are usually the very things that are absent in a state which is on the throes of conflict.

And so what we've come to understand is that if we're going to work in those conflict-prevention situations, we have to have a very precise level of detail of what that conflict is about. We have to know how to target resources in addressing those issues or diplomatic resources to address those issues. It means that we need much more precise types of information and intelligence than are usually available in global reports.

The Office of Conflict Management and Mitigation at USAID has begun to address this and has developed some innovative techniques in conflict assessment, and that is indeed one of the things that we will be working with. Yesterday we met with a group at the U.S. Institute for Peace and began exploring some of the work that they are doing. And we very much welcome a dialogue on this and your suggestions on how to more effectively get at this issue.

Second broad issue: Maybe I'm stating the obvious--stabilization and reconstruction is complicated. In many cases we're really redefining the fabric of a society, certainly, in most cases, the social, political and economic systems. And what I would hypothesize is that there are in fact four different stages of the stabilization and reconstruction process. One is the very basic act of stabilizing after a crisis or an emergency, of providing security on the ground and dealing with humanitarian needs. But the irony is that at the very time that you're stabilizing, you have to be thinking about the next stage, which is in many cases tearing apart the old, is thinking about what those factors are that led to the conflict in the first place that have to be undone. In some cases it might be the state-owned enterprises that created a nonviable economy. In other cases it might be the political structures that led to certain ethnic groups dominating a society. But indeed we have to confront those issues and get into a process of tearing apart the old if we are to unleash the forces for openness and competition.

The third stage is one of developing the infrastructure for a market democracy--the physical, the economic, the political and the legal infrastructure. And this isn't just a question of writing laws or building institutions; it's really rethinking the way a society functions. Consider that in many cases what we're really dealing with are authoritarian societies that lost credibility. And those authoritarian societies were based on a precept of order that was dictated from above, and suddenly we're saying that now we think that order should be based on openness and freedom and competition, and a rule of law that mediates the way that people interact with one another, and a court system that mediates the disputes.

That is a completely different way of how people act from the moment they get up every day, and it is something that is extraordinarily complicated to implement.

And finally, a fourth stage, we have to think about the mechanisms for developing accountability, of the creation of civil society, what I would call the demand-pull factor in changing a society, because, in the end, if a civil society isn't pulling its political leaders along

in the direction that they want them, you have the same risk of reverting to authoritarian behavior that in many cases were the sources of conflict to start with.

The implications of this—well, first of all, we need different tools to deal with different stages of conflict. We need to think about how we stage these tools over a period of time, and we need to think carefully about what is necessary and sufficient to achieve success. You know, it's a great public management phrase, "necessary and sufficient." But sometimes it's something that we have to put frankly on the table, because if you don't accomplish enough of these things, you don't get the kind of changes in a society that you're expecting and you need, and you don't get the response from the population that you need to be able to sustain your movement from change.

And thirdly, the broad issue that I wanted to put on the table is the importance of security for the nongovernmental community and organizations.

There are two scenarios that we've seen develop over time recently. Traditionally, nongovernmental organizations have found their security in neutrality. What we've found is that in some cases anybody who comes into a conflict zone is considered an outsider, no matter who you are, and that outsider is at risk. And so how do you achieve security in those circumstances when there's been a hesitance to associate these nongovernmental groups with security providers, yet, at the same time operating without them can be insecure?

We've seen other situations where the military's going in right after conflict, and for practical purposes, they need to provide humanitarian aid to a population. Yet after that, nongovernmental groups come in, and they fear being confused with military forces who have previously been providing humanitarian assistance. These are real issues that affect the lives of people, and indeed one of the things that we are looking to do is to sponsor a dialogue on these questions with our military colleagues, with nongovernmental groups, with some of our partners at the United Nations.

Now, in concluding--just a couple of points: This is going to take time. If we think of Goldwater-Nichols and what that did for the military--a hierarchical organization where there is money and legislation--it took 15 years to be able to get good at the concept of joint operations. It's going to take us time to in fact bring that capability, that same kind of joint capability, to civilian operations.

But at the same time, I think that if we better organize and manage our capabilities and our resources, we can make differences in our ability to have an impact on the ground in the near term, because we're going to have to balance these issues. Time to recognize that it's going to--that it's not going to be easy, but at the same time pressing ourselves to put in those capabilities quickly, where we can.

It's also important to keep reminding ourselves that stabilization and reconstruction is bigger than any single one organization, and so we have to keep reaching out to partners. And indeed that is part of the very idea of this session today. I've tried to be very frank in laying out to you the directions that we're seeking to move, the ideas that we're putting on the table, and I'm doing that because I want your advice. We need your advice. And I hope we can build that partnership in a spirit of good faith.

And finally, I think it's important to remember that if we can get this right, there is a huge payoff. There's a payoff in a more secure world and security for the United States, and in working with those people on the ground who are seeking to be able to have a more democratic and market-oriented state, and to opt for values that we believe in. And if we can support those kinds of changes and if we can replace conflict with people pursuing the kinds of values that we believe in, then we're all going to be better off.

I appreciate your patience with me, and I'm happy to answer questions. (Applause.)

**MR. BARTON:** If you do have questions, additional questions, would you please pass the cards to the aisles, and we'll pick them up. I have about a dozen in front of me. I'd like to -- also, for those of you who are standing, there are a few extra seats here in the front. Please feel free to take the seats. And a number have -- are also available.

This first set of questions really address the civilian-military relationship. And let me try to blend a couple of them. I think maybe the first part of the question would be, what do you find that's going on, in particular in the Defense Department, that's most encouraging to you in the work that you're doing? And have you -- there's talk of a similar office in the Defense Department. What's your feeling about that? "How do you keep the civilian side from being overrun?" is another question that's been put forward. And the third one is if you find that there really is a gross lack of capacity, even after you do all that you have laid out here, how will you be able to influence the, sort of the plus-ing up of the direction that we're going in?

So those are--that's--that captures a handful of the questions that we're -- that came in this first flight.

**AMBASSADOR PASCUAL:** Okay. Our relationship with the Department of Defense--all parts of the Department of Defense actually have been nothing but encouraging, thus far. We've had very close relationships with the uniformed military.

I've spent time at Joint Forces Command, at European Command. I've spent time at the Pentagon with OSD and the Joint Chiefs of Staff. The message that we have consistently received is that it is in the interests of the military to ensure that the civilian world and the civilian part of the U.S. Government establishes the capability to be able to plan and prepare for potential conflicts, and be able to work together, from the minute that the conflict develops, to bring civilian capabilities to bear. And what we have found throughout is an interest and a willingness to support our operations and to strengthen our operations.

There are practical issues that arise over time, such as budgets and where those resources are located. Obviously, the military has much greater budgets than the civilian world. The foreign operations budget is about \$19.5 billion. The military budget is \$400-and- something billion. That's the reality that we live with. But that does not mean that the military budget has to be completely overwhelming, because what we have found is that if the military appreciates that there are cases and circumstances where civilians are better suited to undertake certain types of stabilization functions, then we can begin to work out how to use resources in a broader and more creative way. I think that there are ways that we can do this using existing authorities, such as the Economy Act. There are other ways that we may need to explore in the future.

In terms of the Department of Defense establishing a similar office, I welcome that completely if the purpose of that similar office is indeed to strengthen the Defense Department's capabilities to both manage its own internal capabilities and liaise with the civilian world on stabilization and reconstruction. And indeed, I would encourage every single Department that has a relationship on these issues to strengthen their capabilities, including USAID, and the Department of Treasury, and the Department of Justice, as well as the Pentagon, because as I said before, this cannot work if it rests on just the State Department or one office in the State Department alone.

Obviously, we cannot have offices purporting to have the same interagency coordinating role, but indeed, there has been clarity on that, and from the beginning, when the National Security Council principals met there was recognition that this is a fundamental civilian function and it should be based in the Department of State.

If we still lack capabilities after we start putting these mechanisms in place -- you know, the reality is, if we start putting these mechanisms in place, we are going to get better, and we still are going to be a long way away from where we all as a collective whole want to be because it will take time and it will take resources. And so, frankly, there's no alternative other than to keep analyzing where those gaps are, analyzing where the capabilities need to be strengthened, to keep working together as an interagency community and with the nongovernmental world, and to work closely with our colleagues on the Hill. What I have

found -- and I think there are some colleagues from the Hill here--that there has been a deep understanding of the importance of these kinds of issues, and if we can keep working together, then I'm hopeful and optimistic that we can begin--continue to program resources, to do something which we have seen over time is fundamentally in the U.S. interest.

**MR. BARTON:** There's a second set of questions about the Hill. What is the status of the Lugar-Biden bill, and what more will it bring to your office that you don't have right now?

**AMBASSADOR PASCUAL:** I wonder if Mary Locke or Paul Clayman are here? (Laughter.) No, I don't see them. On the status of the Lugar-Biden bill, it has been voted out of Committee.

It has not gone to the floor. The Senate authorizers have worked very closely with the Senate Appropriations Committee for Foreign Operations on these issues. The Senate Appropriation Committee for Foreign Operations put in its bill which passed \$20 million for Stabilization and Reconstruction Fund. It's a small amount. It's a beginning. Obviously, that has to go to conference, and we'll see what emerges from there.

What we have found generally on the part of our colleagues on the Hill, as I mentioned earlier, is a recognition and appreciation that these capabilities need to be developed. And one of the things that we're going to have to come to terms with is where the resources come from. I appreciate that those on the Hill are in a difficult situation. They have a very tight budget resolution and budget caps. The trade-off against that is that this is something which is core to our national security interests, and so we're going to have to find a way to work together in order to be able to fund these programs.

In terms of additional capabilities besides just money, one of the things that's extremely important in the Lugar-Biden bill is the provision that it has to give greater flexibility to be able to move money between accounts under Foreign Operations. And so what it allows, when the President determines that a country is in the status of the transition from conflict or civil strife, to be able to move money across accounts without regard to the current dollar and percentage limitations that might exist in the sub-accounts under Foreign Operations. That may sound relatively technical, but it's really important because usually you can find money in the Foreign Operations account, but usually that money is of the wrong color. So you might be able to find money in a nonproliferation account, but you need to do peacekeeping. Or you might find money in peacekeeping, but you need to build a health clinic. And so what this does is give you the flexibility in those specific circumstances where the President has made a determination to be able to move money more flexibly.

Obviously, there would need to be a notification to the Hill. There are certain interests that they have. What we don't want to do is create a situation where we're suddenly taking all of the development assistance or child survival money and putting it into peacekeeping operations. That's not the intent. But this kind of additional flexibility would be a huge help to us.

**MR. BARTON:** There are a series of questions about the workings of your office, and the first three really have to deal with the countries that you would be selecting. Will they be new crises, or also existing problems such as Sudan? What sort of criteria or process will you be creating for that selection? And then there's will you be involved with some of the early stages, such as the peace agreement -- the development of the peace agreements, which obviously have such an impact on what follows?

**AMBASSADOR PASCUAL:** Okay. In terms of selecting countries, let me be clear about sort of two different categories. The first is countries that we select for planning purposes. And in doing this, we will be working off the group of countries I mentioned earlier that the National Intelligence Council is helping us develop.

In looking at those countries, we will be trying to determine types of situations that are going to be useful for generic purposes that will help us better understand how to respond to different situations in different parts of the world. So we'll have to balance with

real issues of instability, relevance to U.S. policy, how much you can learn from those circumstances, and how much one might learn that would link into other operations that the U.S. Government might be conducting.

For example, the military is regularly conducting exercises in different parts of the world and for different countries. And so in some cases we may pick a country because the military is conducting an exercise there on stabilization and reconstruction and it would be useful to learn from that kind of exercise. So what I want to stress is that the choice of the countries is not specifically just for the purpose of being able to prepare a contingency plan, it's in fact to be able to prepare in a much broader sense.

Now, there will be circumstances that, where preventive activities will be especially important, and in those cases picking countries where we might be able to have a useful impact by giving further scrutiny to our policy that could in fact help avoid a conflict or prevent a conflict. And indeed in those circumstances, we should look at those possibilities where we might be able to bring some additional value added to what is already being done by our Regional bureaus.

That's sort of one category. A second category are those countries where we will become operational in the sense of managing a Country Reconstruction and Stabilization Group and dealing with issues such as peace negotiations and the whole mobilization and deployment of capabilities. And in those circumstances, it will depend on those cases where the Secretary of State determines that it is useful and important for our office to play that role.

**MR. BARTON:** There are a number of questions about Iraq and Afghanistan.

**AMBASSADOR PASCUAL:** Good we can pass those. (Laughter.)

**MR. BARTON:** (Laughter.) "What are some of the lessons you have identified from those experiences?" captures most of the flavor of the other questions, as well, but also, "Why were they excluded?" has been asked.

**AMBASSADOR PASCUAL:** The reason they were excluded is because indeed there have been mechanisms that have been created inside of the Government to deal with both Iraq and Afghanistan, where significant personnel resources have now been made in both Washington and the field. And so there's little value added that I see that we can bring into those situations, because indeed the investments have been made already in people.

That's not to say that they are easy to manage. They're phenomenally complicated, as we see every day in the newspaper. But whether our office will be able to bring an additional value added in a circumstance like that, given the other mechanisms that are in place, is just a practical question that we have to ask ourselves.

In terms of lessons learned, the question of lessons learned is not just relevant to Iraq and Afghanistan, it's relevant to the whole set of conflict and post-conflict situations that I've been talking about this afternoon. And indeed, you don't have to ask me about what those lessons are. One can look at the literature that has been put out by CSIS, by USIP and by other organizations.

I think a very useful framework that has been developed is to divide the post-conflict situation, as you have done in the matrix at the end of your "Winning the Peace" book, into transitional security, governance and justice, social and economic well-being, and governance and participation. They are four critical areas. We've learned over time that you need to think about those things that have to be done up front, those things that need to be sequenced initially. We've learned over time the importance of transformational issues that can help us move from a crisis situation to a more stable and normal life. We've learned about the importance of identifying early on those kinds of activities that are absolutely critical to sustainability for the long term. On each of those areas we can go through a whole series of topics, whether it's transitional security or job creation, how you manage a demobilization and demilitarization and reintegration program, and talk about some of the issues that we've begun to learn.

I think that the key issues right now are not so much just identifying lessons—I think we've done a pretty good job of identifying many of those core lessons; it's [applying the lessons](#). And so one of the things that we have sought to do is to develop in the working groups that I mentioned earlier under our policy coordinating committee, a process where we're asking basic questions about, given that these are some of the core tasks and requirements that we know have to take place to, say, enforce transitional security, where are there gaps right now that need to be filled? Who can fill those gaps? Are they filled within government, or are they filled outside of government? Do we need to put in place additional capabilities to fill those gaps? So that in the end we can start taking those basic lessons and have an understanding of how we can translate them to implementation on the ground. And I think that's going to have to be one of the most crucial things that face us in the coming months.

**MR. BARTON:** Several of the questions deal with those gaps, and in particular, this one: "I was so pleased to hear you want to start with security so that other activities can take place. How can security be established in places like Liberia and Haiti with no rule of law, police or institutions, and where you have crime and gang activities and other lawlessness in place?"

**AMBASSADOR PASCUAL:** Can we ask the people who wrote the questions to assist in developing an answer? (Laughter.)

**MR. BARTON:** They probably have the paper written already.

**AMBASSADOR PASCUAL:** That would be excellent. (Laughter.) These are exactly the tough kinds of questions that we have to grapple with. We know about some of the basic theory. We know that you have to have certain peacekeeping functions. We know that peacekeepers have to have a strong enough and robust mandate. We know that you need enough of them to have a broad coverage on the ground. We know that in many cases you need to complement those peacekeepers with international civilian police because there aren't sufficient numbers of domestically trained police. We know over time that you have to train indigenous police so that you can turn over those basic law and order and public safety functions to those who are on the ground. We know over time that you need to introduce some semblance of the rule of law and an understanding of what that basic law is.

Indeed, one of the very valuable exercises that USIP is engaged in is developing sample criminal codes and sample constitutions that can be applied and utilized in these kinds of situations. We know that you need to train judges and prosecutors and those who are managing criminal penitentiary systems. And it's extremely difficult to do all of those things at one time, and it takes resources to do them.

And so what we have to do is to develop priorities, look at what are the first pieces that you need to get on the ground immediately? How do you get the peacekeepers on the ground? How many of them do you get? How do you define the peacekeeping function relative to the international civilian police? If you can't get that right, you've got a basic vulnerability that will haunt you throughout the process.

These are the kinds of issues that we're looking at, and to the extent to which, you know, those of you out there who have been involved in these issues have advice and suggestions on how to proceed, we appreciate it, because it's hard.

**MR. BARTON:** There are questions about the funding level. What would have been necessary to make the Future of Iraq Project more viable in the early planning stages? And, in general, what do you see as, from your conversations with the Hill that the likely funding level that you think will be discussed in this coming year?

**AMBASSADOR PASCUAL:** I can't tell what the proposed funding level is because it's not come out of OMB, and as a result of

that, there is not an official Administration position. So I wish I can go there, but I can't. Let me just go back to that which we said publicly, and that's our endorsement for the Lugar-Biden bill and the provisions for the Stabilization and Reconstruction Fund that's there as well as the added authorities that are in that bill.

Now, in terms of funding requirements, there are going to be funding requirements for additional staff. I've indicated the kinds of areas that we need for the staff in my office, for leadership and coordination, for diplomatic capabilities, for technical capabilities, and so we'll be working internally to identify the numbers of people and the kinds of resources that are required for that. I can't -- I honestly just can't go beyond that at this stage because it really has to get worked out further internally within the Administration.

**MR. BARTON:** No, we sort of suspected that answer. We've been working a lot with James Surowiecki's "Wisdom of the Crowds," and maybe at the next occasion we can pass a card around to everybody and ask you each to put the appropriate number you think -- (laughter) -- we need to do this job properly in the U.S. Government, and then we'll bring it back to you as the wisdom of the crowd and see if it matches up with OMB's judgment.

**AMBASSADOR PASCUAL:** Right, great.

**MR. BARTON:** At least you'll have the power of the public behind you. (Laughter.)

**AMBASSADOR PASCUAL:** (Laughter.)

**MR. BARTON:** (Laughter.) There's a -- there are a number of questions about your partnerships, and in particular the United Nations and how that's going to work, and whether the existing relationship with DPKO, whether it's in the right -- whether that should be a relationship that your office manages. And then also, a secondary -- fewer questions, but still some questions about the NGOs and about indigenous experts and capacity.

**AMBASSADOR PASCUAL:** Okay. In terms of relations with the United Nations, one of the questions that we've asked in our initial contacts at the UN is what they can do to more effectively coordinate among the various UN actors to ensure that when they're developing their peacekeeping mission, that they also are coordinating with their emergency and humanitarian assistance people, and also coordinating with those who are going to be managing the DDR programs and those who are going to be running the long-term development programs so that there is a comprehensive understanding of how these pieces inter-relate with one another. Indeed, it's very parallel to what we're experiencing internally within the government.

What I found was a great deal of receptivity within the UN to take on some of these questions. There are issues that they have to confront in their on internal management, but, indeed, what we found with the UN Development Group, which includes UNDP and UNICEF, with DPKO, with DPA, with OCHA, is that they recognize and feel that they need to have a better dialogue among themselves.

In terms of the relationship with DPKO, certainly the Bureau for Political-Military Affairs in the State Department has to maintain a strong and leading relationship with them on peacekeeping efforts. It's absolutely critical. We don't intend to take over that relationship. What we do hope to do is be able to inject the kinds of questions into the dialogue that can help us better understand how to integrate those peacekeeping responsibilities with the other kinds of stabilization and reconstruction activities that need to take place.

In terms of relationships with other partners, let me just take a minute on the European Union. We found the EU extremely interested in the development of similar types of capabilities on stabilization and reconstruction. Of course, in the EU there's the complication of the Council Secretariat and its responsibilities, which generally has a mandate for crisis activities, but generally does not

have money, and the Commission, which generally has money but actually does not have a mandate on crisis situations. And they're aware of that, and they're looking at how they bring those together. Indeed, it's something which is core to the European Union's proposal for constitutional reform.

One of the things that the EU is looking at is a new instrument. They operate -- the EU equivalent to our appropriation accounts are instruments, and they want to put in place a stability instrument, which would be about 500 million to 600 million euro a year, and would give them the capability to use that in a flexible way, similar to what we're proposing for the Stabilization and Reconstruction Fund. In the meantime, what they're doing, using the capabilities of the Council Secretariat, they are getting contributions in-kind from individual member states for international civilian police and gendarmerie, for judges, for civilian administrators, and for on-the-ground monitors. You know, we both recognize that we have an interest in continuing to work together on this and comparing notes as we go along, and I think that that relationship will develop, too.

**MR. BARTON:** Along those lines, there are a lot of questions about sort of the interagency -- how things are working on the interagency level. In particular, you can see in these questions a pretty high level of expectations and maybe a loving skepticism, as well. "How much can an office in the State Department really do?" is sort of the tenor of a few of these questions. But then the specific interagency sub-questions that are coming up: "What's the relationship with the intelligence community, with the office -- Ambassador Black's office?" Your influence on the -- your exercise of -- "How much control and how much influence do you have over agency budgets and some of their operational decisions?" And sort of that's the general tenor.

**AMBASSADOR PASCUAL:** First of all, I would say that the interagency relationships have been developing quite well. That's not to say that there isn't at times anxiety or uncertainty. And for those who are from different agencies here, you know, I don't want to pretend that there haven't been those anxieties. There are agencies that have been asking, "Are my functions going to be taken away? Is my budget going to be taken away?"

But over time, I think what all of us have come to understand and realize is that by putting in place a capability like this, that all of us will benefit. For example, with USAID, if they can't deliver humanitarian assistance on the ground in a particular country situation, it usually has nothing to do with their understanding of how to do humanitarian assistance. It may have a lot to do with the political environment and the security environment that is surrounding that. And so increasingly there's been a recognition that if we can work together and bring together our disaster assistance, our economic, our political and security capabilities, and work out how to develop the whole package that will enhance the prospects for success, that we're all going to benefit as a result of working on this together.

I've tried to underscore over and over again throughout the presentation that this cannot be about one office alone. Indeed, one office can be a leader and a coordinator for the interagency community. That leadership and coordination is often going to depend on whether we can demonstrate that we are value added. If the interagency community determines that what we end up being is another line on a clearance page that makes everybody's life more difficult, then this office will fail. And that is why when we've been looking at what our capabilities are, we've been looking at where can we add value, where can we deliver a benefit, where can we develop a better understanding of how to approach a country situation and take a preventative action? Where can we bring together that whole package of capabilities that ensure that we have, assures that we have the complementarity among security and political and economic factors, so that you can achieve success? And if we keep working on that basis, I think that we can actually then deliver positive benefits on the ground, which each agency can in fact benefit from.

In terms of the relationship with the intelligence community, it's in fact been quite good. And again, with the National Intelligence Council, as I've mentioned, they've played a very important role in helping us analyze countries at risk of instability, and to pull together the range of information that is out there, not just in the classified world but also in the unclassified world, because there are many important resources, such as the work that's done by the International Crisis Group or International Alert, and we need to benefit from that and draw that into our analysis. And so they have played that central coordinating role.

One of the things that we need to look at for the future -- and this isn't just an intelligence issue; it's a monitoring, it's an information question -- how do you get information about real-time issues on the ground to inject that into the way that you structure and run your operations and your projects, so if something is not going well, that you can restructure it, adapt it and make it successful? And we're looking forward to working with you at CSIS as you develop those tools for metrics, as well, because I think that they can be particularly helpful.

On counterterrorism, there's an obvious relationship between the issues of stabilization and reconstruction and counterterrorism. And indeed if we can't succeed in the process of stabilization, then the prospect occurs that you create a void on the ground, which can become a breeding ground for terrorism. And so from the outset, we have had, I think, useful discussions with Cofer Black's group, recognizing that there are complementarities between the kinds of objectives that we have. How they turn -- translate themselves into operational implications I'm still not sure yet.

And finally, on agency budgets, I think what's most important about agency budgets in the Foreign Operations account is not what the role of our office is, is the role of the Secretary of State. And the Secretary of State has oversight of those budgets and has the ability to make the determination of when we need to focus attention on a country for stabilization and reconstruction purposes. And when he determines that, then he will ask us, together with the Resource Management Bureau in the State Department, to come back to him with recommendations on how we utilize those resources. And so the issue here is not just how we utilize our authority, but that we rely on the Secretary of State, and the Secretary of State has the key authority over those accounts.

**MR. BARTON:** I think we have time for two more questions. This one's a broader question. You identify both preventing crisis and responding to post-conflict situations as part of your office's mandate. That focus suggests a need to address both structural and operational factors of conflict and conflict prevention. How will your office manage the tensions that arise when U.S. policies are seen as, or in fact are, contributing to structural problems or fueling conflicts? (Laughter.)

This is your Secretary of State question. (Laughter.)

**AMBASSADOR PASCUAL:** We'll obviously resolve those tensions. (Laughter.) Or I could say those tensions never exist. (Laughter.)

The development of foreign policy in conflict situations, I think, is really one of the most difficult things that we have in front of us. And it requires all of us to put frankly on the table those key issues that are related to or involved in a conflict. And after we look at all of those key issues together, we have to make assessments and judgments about what kind of policy mix we're able to proceed with. And we have to do that frankly and openly and fairly. In some cases, decisions are going to be made, for whatever reasons, that may not necessarily be the most constructive relative to a conflict on the ground, but are made because of other U.S. national security interests.

And that trade-off intention is going to exist, and we shouldn't pretend that anybody can take it away and resolve it. What we can do is contribute to an honest dialogue and debate about what the issues are and how it can be resolved so that those people who are our bosses can make their decisions and their policy determinations with the best possible information.

**MR. BARTON:** I think the final question is: What are the three worries that you have, the three greatest worries you have about the -- about your office becoming an effective agent of change in this field?

**AMBASSADOR PASCUAL:** In a sense, the -- rather than say that there are three worries and put it from a negative standpoint, let me turn it around and say that you try to understand where the challenges and the issues and difficulties are, and you create

the capabilities to address those issues and those problems. And let me highlight three gaps that exist today, and indeed -- Melanie, do you have that flowchart --

**MR. BARTON:** I just want to let you know: I did not offer this question beforehand. So if there are three slides, it's -- (Laughter.)

**AMBASSADOR PASCUAL:** No. We don't claim credit for this chart. It actually comes from the Defense Science Board and the work that they have been doing. And it's premised on a military situation on the ground, but I think it's instructive.

If you look at the first part of this, in a pre-conflict situation, the agency that knows the most about what is going on on the ground -- State Department and other civilian agencies -- generally is not involved in the planning process about what we might do later on. If you look at the second part where there are hostilities, and the Department of Defense rightly has a principle role, the State Department has almost no presence on the ground and so is unable to engage from the outset on what are civilian stabilization kinds of activities. And indeed, that lack of presence on the ground contributes to a difficulty in managing a transition from a military to civilian lead afterwards, and as a result of that lack of presence, then it complicates the situation we have in a post-conflict situation to be able to effectively manage civilian resources.

So, in a sense, the three things that concern me very much is that we have to fill those gaps. To do this effectively, you have to fill the first gap on the planning side. If you don't do it, you don't get the maximum information that you need into your plans so that you're best able to operate in a way that's going to achieve your goals. You have to deal with the gap during the deployment stage so that, in fact, we can contribute to the military as they are undertaking their operations. And we have to have the capability of deploying throughout that transition process and afterwards for stabilization and reconstruction.

In some ways you can summarize it in one point, which is that in the end you need the people and the resources to fill those gaps to ensure that there is, from the outset, a very unified civilian and military response, and that this is being done together as a joint U. S. Government team and you don't -- and we don't end up having two separate processes, where the military's undertaking its process and sometime later on the civilian world is seeking to catch up. We need to make these work together from the outset.

**MR. BARTON:** Thank you very much, Carlos. Thank you all. Thanks to the Wilson Center. (Applause.)



[Updates](#) | [Frequent Questions](#) | [Contact Us](#) | [Email this Page](#) | [Subject Index](#) | [Search](#)

The Office of Electronic Information, Bureau of Public Affairs, manages this site as a portal for information from the U.S. State Department. External links to other Internet sites should not be construed as an endorsement of the views or privacy policies contained therein.

[About state.gov](#) | [Privacy Notice](#) | [FOIA](#) | [Copyright Information](#) | [Other U.S. Government Information](#)