

Remarks for Williamsburg Family College
Williamsburg, VA
August 2, 2007 – 2:15 P.M.

- I am pleased to be here with you today and to talk with you about how we are working to transform the State Department to be more effective in an increasingly interconnected world. Being in historic Williamsburg provides us with an excellent reminder of how much our country and the world have changed in the last 250 years. It also provides us with perspective to consider how much our country and the world will change in the next 250 years.

- We are living in an extraordinary time, one in which centuries of international precedent are being overturned. The prospect of violent conflict among great powers is more remote. States are increasingly competing and cooperating in peace, not preparing for war.

- Peoples in China and India, in South Africa and Indonesia and Brazil are lifting their countries into new prominence. Reform - - democratic reform -- has begun and is spreading. And the United States is working with our many partners who share our

values to build a true form of global stability, a balance of power that favors freedom.

- At the same time, other challenges have assumed a new urgency. Since its creation more than 350 years ago, the modern state system has rested on the concept of sovereignty. It was always assumed that every state could control and direct the threats emerging from its territory. It was also assumed that weak and poorly governed states were merely a burden to their people, or at most, an international humanitarian concern but never a true security threat.
- Today, however, these old assumptions no longer hold. Technology, migration, and globalization are collapsing the distance that once clearly separated right here from over there. Social and political movements can now flourish across – and function irrespectively of – sovereign state boundaries.
- The fundamental character of regimes now matters more than the international distribution of power. In this world it is

impossible to draw neat, clear lines between our security interests, our development efforts and our democratic ideals. American diplomacy must integrate and advance all of these goals together.

- New realities now characterize the international system. Let me mention five that change where we do our work, who we collaborate with to do our work, what work we do, and how we do our work:
 - First, there are no longer 2 superpowers; power is more diffuse. Power is more regional and thus societal solutions are more regional. This changes where we do our work. We see regional centers and regional solutions as more important.
 - Second, transnational threats such as terrorism, disease, climate change, international criminal cartels, drug trafficking and trafficking in persons have become important elements of international relations – and all of them rely on asymmetrical balance of power (example: affect of 1 person traveling with SARS).
 - Third, technology has changed how -- and where -- we do our work. We must work in a real time world – blogs, instant messaging, communities of practice.

- Fourth, the assets of power are shifting and this is key – being defined more in economic and financial terms and in terms of a country’s educational assets than simply military strength, something Singapore, Korea and Japan have known and Hyderabad and Hong Kong are teaching all of us.
- Finally, in the 21st century world, “soft power” has become increasingly important. While the concept has certainly long existed, the term “soft power” was first introduced by Professor Joseph Nye of Harvard in 1990. Soft power emphasizes the subtle effects of culture, values, and ideas and the ability to influence others. This is not to the exclusion of hard power, especially defined as military power, which historically has been the predominant measure of international power. Hard power remains very important, but it is not sufficient.
- Diplomacy is an important aspect of soft power. Person-to-person contact is critical for our presence worldwide. International educational and cultural exchanges, public diplomacy, and U.S. government broadcasting, the work of USAID and the Millennium Challenge Corporation, and our

funding to fight AIDS and malaria are key examples of the use of soft power.

- Moreover, civil society also plays a major role in soft power. American corporations, the more than half million foreign students who come to the U.S. to study each year, American foundations, and NGOs providing food and care all have an important impact on our image and our power.

Transformational Diplomacy

- Recognizing these trends and challenges, Secretary Rice's transformational diplomacy initiative gives clear direction to American foreign policy and commits us to a bold mission: the expansion of freedom and democracy in the world.
- The Secretary has also highlighted the centrality of partnership in transformational diplomacy. She said in January 2006 in a speech at Georgetown University that "Transformational diplomacy is rooted in partnership, not paternalism – in doing things with other people, not for them. We seek to use America's diplomatic power to help foreign citizens to better their own lives, and build their own nations."

- Secretary Rice's call for transformational diplomacy is a challenge for us at the State Department to perform our vital national security role by being active in spreading democracy, fighting terror, and reducing poverty. It is a plan to transform: (1) our overseas presence; (2) our partnerships with other U.S. Government agencies; (3) our capacity to help reconstruct and stabilize societies in transition from conflict; (4) our partnerships with the private sector; (5) the approach to foreign assistance; (6) how we do our business internally; and (7) our workforce – our diplomats of the future. I will discuss in particular our overseas presence and our public-private partnerships.

Our Overseas Presence

- First, our overseas presence. In today's world, our diplomats not only work in different places, they work in different communities and they serve in different kinds of conditions, like reconstruction and stabilization missions, where they must partner more directly with the military.
- They often serve in many dangerous and difficult places. In fact, almost 500 of our officers now work in countries where they cannot be accompanied by their families, and an additional

200 are at limited accompanied posts. Altogether this represents a quadrupling since 2001.

- We have a comprehensive, long-term plan for a phased repositioning of more personnel and resources into the field; once fully implemented this will shift 10% of our core diplomatic overseas presence. So far we have moved positions largely from Washington and Europe.
- The new positions -- most of them overseas -- will be in countries such as China, India, Afghanistan, Saudi Arabia, Kenya, and Haiti focus on transformational issues such as non-proliferation, counter-terrorism, democracy-building, and getting the U.S. message out to local Muslim communities.

Localization

- America must also be represented in more places, and more creatively, to send a message that we genuinely desire partnership. There are nearly 200 cities worldwide with populations over one million people in which America has no formal diplomatic presence. These are provincial centers, trade centers, and public opinion centers.

- **American Presence Posts**, or APPs, are central to our strategy. APPs are lean, flexible operations with one or two American officers and a small number of Foreign Service Nationals. They engage in a very limited range of activities but can have an important local and regional impact on commercial and political outreach and public diplomacy. We currently have eight APPs, (five in France, plus Winnipeg, Alexandria, and Medan), but 17 new ones in East Asia, South Central Asia, North Africa, and Latin America are now in the planning phase.

Role of Technology

- Technology is essential to how America and its diplomacy will operate in a country and worldwide. Another innovative way to expand our presence is what we call a **Virtual Presence Post**, or VPP. A VPP is not just a website, it is a tool for mobilizing available diplomatic resources (travel by mission officers, programs, media, and technology) to build our engagement with a target community where we have no permanent facilities. To date we have established 39 VPPs, including several in Russia, where the first VPP was established, with more than 20 more currently in the planning phase.

- In addition, because diplomacy entails travel and mobility around the clock in a global enterprise, our vision is to provide full, reliable access to all needed knowledge and computing resources at anytime from anywhere in the world. Today over 8,000 Department employees are mobile computing users able to access our global unclassified network via standard end-user devices such as laptop and desktop computers, PDAs, and cell phones. This is a number that is increasing daily. Two years ago, only a handful had access to these tools.

Our Partnerships with the Private Sector

- The Department of State is forming a center of excellence to expand the Department's use of public private-partnerships to achieve policy and management objectives by leveraging the resources, expertise, and dynamic culture of the private sector and other non-government entities.
- Public private partnership is all about working more creatively to reach greater potential through shared strategic interests.
- For instance, our American schools overseas offer education to local and expatriate and American children in many, many countries. Are there ways to help these schools through

public/private partnerships in places as diverse as Damascus and and Dubai, Belize and Beijing?

- As another example, we have recently launched the Franklin Fellows Program to provide unique opportunities for mid-level professionals from the private sector or non-profit organizations with five or more years of relevant experience to serve as Fellows at the State Department. We hope that much of the funding for this program will come from the organizations whose people serve as Fellows or from other private organizations.
- The U.S.-Afghan Women's Council (USAWC) is a dynamic public-private partnership initiative established by Presidents Bush and Karzai in 2002. The Council has launched or supported many concrete projects that have helped Afghan women learn to read, take vocational courses, obtain small loans for start-up businesses, and learn basic health care measures, among numerous other life-transforming initiatives. The Council has also assisted in the legal training of 80 women judges and lawyers and supported judicial awareness classes for young girls. Private sector donations, from organizations and

individuals, are deposited in the Council's Afghanistan Gift Fund to implement its projects.

- We also demonstrate our commitment to broader populations such as the citizens of Lebanon through the US-Lebanon Partnership. President Bush recognized that the private sector can really be a multiplier because of its experience with investment in people, investment in job creation, investment in development -- there's really nothing like the private sector for that. The partnership is making a huge difference in immediate relief to the NGOs and doing what business does best, outlining a hundred projects for job creation, prioritizing those down to 10 or 20, and then having the partners participate in each of the categories best suited to their focus.
- In all of these examples, we are looking at what is the best model and how quickly it could be replicated. Public-private partnerships are the way of the future where business can play a key role in doing things that it does remarkably well.

The Approach to Foreign Assistance

- Just as we need to work closer with the private sector, the Department also needs to work closer with our partners within

government. To this end, Secretary Rice created the new position of Director of Foreign Assistance in order to align our foreign assistance resources more strategically with our foreign policy goals. In other words, to ensure that USAID and the State Department are both “pulling in the same direction.”

- For the first time, we have common definitions for our development goals and programs and one common process to measure how much we're spending and whether we're getting results. In this way, we have been able to shift billions of dollars of foreign assistance resources to those countries and programs where the money is needed most and most likely to have the greatest impact.
- We can now assess each country's most pressing needs and direct our resources to help them in a way that supports its own development plan. This will enable more nations to graduate from our assistance, not to grow dependent on it.

Conclusion

- We now stand at the beginning of another historic transformation. It's a transformation that is going on around the world where people are demanding their democratic rights. It is

a transformation that is going on around the world where people are electing democratic governments and then demanding that they deliver.

- But it is a transformation that of course is most acute and most noticeable in the Middle East, where for the first time the freedom deficit that has existed in the Middle East for 60 years is finally being addressed. And yes, it's turbulent. And yes, it's sometimes violent. And yes, it is very, very challenging.
- Just think about the risks that people took in Afghanistan to vote in a country really still very much a couple of centuries behind in terms of infrastructure and development, thanks to 25 years of civil war. But people went out and they voted in huge numbers.

- Think about the people who voted in Iraq, where terrorists put up signs that said if you vote, you will die. And they voted anyway. Or think about the women of Kuwait who recently voted for the first time. These are people who are seeking the non-negotiable demands of human dignity, as the President has called them.
- The Department of State works to advance reforms that will eliminate the frustration, the injustice, the poverty, the despair that gives rise to ideas of transnational destruction and terror. We stand ready to help, to help promote market reforms, to help promote free trade, to help promote democracy.
- I now look forward to hearing your ideas and questions. Thank you for allowing me to speak to you today.