



State, Foreign Operations, and Related Programs: FY2010 Budget and Appropriations

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July 7, 2009

Congressional Research Service

7-5700

www.crs.gov

R40693

Summary

The annual State, Foreign Operations, and Related Agencies appropriations bill is the primary legislative vehicle through which Congress reviews the U.S. international affairs budget and influences executive branch foreign policy making in general, as these activities have not been considered regularly by Congress through the authorization process. Funding for Foreign Operations and State Department/Broadcasting programs has been steadily rising since FY2002, after a period of decline in the 1980s and 1990s. Amounts approved for FY2004 in regular and supplemental bills reached an unprecedented level compared with the previous 40 years, largely due to Iraq reconstruction funding. Ongoing assistance to Iraq and Afghanistan, as well as large new global health programs, has kept the international affairs budget at historically high levels in recent years. The Obama Administration's FY2010 budget proposal indicates that this trend will continue.

On May 7, 2009, President Obama submitted a budget proposal for FY2010 that requests \$53.9 billion for the international affairs budget, a 2% increase over the enacted FY2009 funding level, including supplementals. Within that amount, \$52.04 billion was requested for programs and activities funded through the State-Foreign Operations appropriations bill. Significant increases were requested to support additional foreign service officers at USAID and the Department of State, the Millennium Challenge Corporation, food security and agricultural development, counter-terrorism and law enforcement activities, and meeting U.S. commitments to international organizations. Among programs and regions for which the Administration recommended reduced funding, compared with estimated FY2009 levels, are economic assistance to Iraq; aid to Europe, Eurasia, and Central Asia; international peacekeeping; and foreign military financing. These comparisons, however, are in relation to unusually high FY2009 total funding levels in some accounts, and do not necessarily reflect shifts in policy or priorities.

Key policy issues addressed in the Administration's request include enhancing the capacity of civilian diplomatic and development agencies, promoting U.S. leadership in multilateral development banks, and improving fiscal transparency by funding ongoing programs through the regular appropriations process rather than through supplemental appropriations. The proposal also requests funding for at least two activities—multilateral clean investment funds managed by the World Bank and the U.N. Population Fund (UNFPA)—that have been rejected by Congress in the past.

This report analyzes the FY2010 request, recent-year funding trends, and congressional action for FY2010. To date, this includes the introduction and committee approval of H.R. 3081, the House State-Foreign Operations Appropriations bill for FY2010. This report will be updated to reflect congressional action as it occurs.

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Recent Developments

On May 7, 2009, President Obama submitted a budget proposal for FY2010 that requests \$53.9 billion for the international affairs budget, a 2% increase over the total estimated FY2009 funding level, including all enacted supplemental appropriations, of \$53.0 billion. Within that amount, \$52.04 billion was requested for programs and activities funded through the State-Foreign Operations appropriations bill, a 3% increase over the total enacted appropriations for these accounts in FY2009.

On June 24, 2009, President Obama signed into law P.L. 111-32, providing supplemental appropriations for FY2009, including \$9.7 billion for State-Foreign Operations accounts.

On June 9, the House Appropriations Committee approved a 302(b) allocation for the FY2010 State-Foreign Operations bill, which funds all international affairs programs with the exception of food aid and a couple of commissions, of \$48.8 billion. On June 17, the House State-Foreign Operations Appropriations Subcommittee marked up FY2010 funding legislation and reported it to the full committee without amendment. The House Appropriations Committee approved H.R. 3081 (H.Rept. 111-187), which recommends \$48.8 billion in State-Foreign Operations appropriations, with amendments, on June 23. Floor consideration in the House is expected the week of July 6.

The Senate Appropriations Committee approved a FY2010 302(b) allocation of \$48.7 billion for State-Foreign Operations on June 22, but has not yet considered draft legislation.

In related action, the House passed a Foreign Relations Authorization Act for FY2010 and FY2011, H.R. 2410, on June 10. The Congressional Budget Office estimates that implementing the bill, which would authorize many of the State and related agency accounts in the State-Foreign Operations appropriation bill, would cost \$40.6 billion between FY2010-FY2014 if the specified and estimated amounts are appropriated.

Table 1. Status of State-Foreign Operations Appropriations, FY2010

<u>Subcommittee markup</u>		<u>Full Committee</u>		<u>Floor</u>		<u>Conference Agreement</u>	<u>Conf. Rept passed</u>		<u>Public Law signed</u>
House	Senate	House	Senate	House	Senate		House	Senate	
6/17		6/23							

State-Foreign Operations Overview

The State-Foreign Operations appropriations bill funds most programs and activities within the international affairs budget, also known as Function 150, including foreign economic and military assistance, food assistance, contributions to international organizations and multilateral financial institutions, State Department and U.S. Agency for International Development (USAID) operations, public diplomacy, and international broadcasting programs. Nevertheless, the State-Foreign Operations bill does not align perfectly with the international affairs budget. Food aid, which is appropriated by the Agriculture Appropriations Subcommittees, and the International

Trade Commission and Foreign Claims Settlement Commission, both funded through the Commerce-Science-Justice bills, are international affairs programs not funded through the State-Foreign Operations appropriations bill. Furthermore, a number of international commissions that are not part of the international affairs budget are funded through the State-Foreign Operations bill. A chart illustrating the organizational structure of the State-Foreign Operations appropriations bill is provided in **Appendix A**.

This report focuses only on accounts funded through the State-Foreign Operations appropriations bill, though provides appropriations figures for the entire international affairs (function 150) budget.

Table 2 and **Figure 1** show State-Foreign Operations appropriations for the past decade in both current and constant dollars.

Table 2. State-Foreign Operations Appropriations, FY2000-FY2010

(in billions of current and 2010 constant dollars, including supplementals)

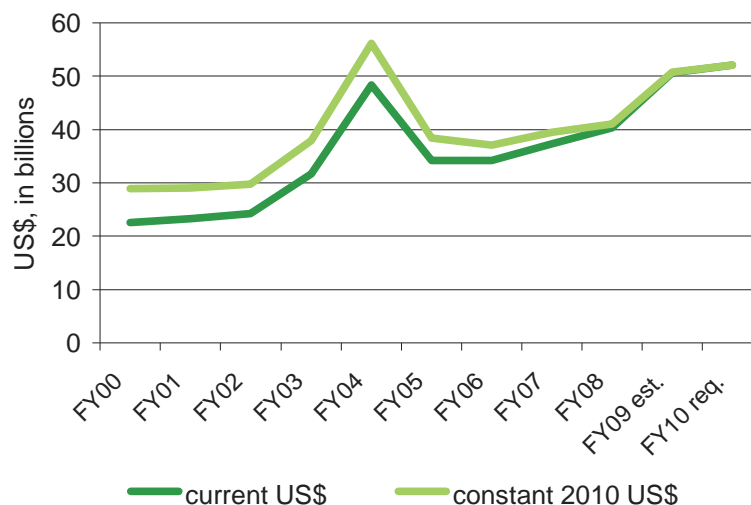
	FY00	FY01	FY02	FY03	FY04 ^a	FY05	FY06	FY07	FY08	FY09 est.	FY10 req.
Current \$	22.57	23.22	24.25	31.72	48.34	34.23	34.25	37.28	40.31	50.66	52.04
Constant 2010 \$	28.91	29.06	29.79	37.96	56.21	38.40	37.14	39.52	41.03	50.75	52.04

Source: Summary and Highlights, International Affairs Function 150, FY2010 and CRS calculations.

Notes: Amounts do not include mandatory Foreign Service retirement accounts that total \$159 million in FY2010. The FY2010 column reflects amounts requested by the Administration. Figures for FY2009 include all regular and supplemental appropriations.

a. Appropriations for Iraq reconstruction peaked in FY2004.

Figure 1. State-Foreign Operations Appropriations, FY2000-FY2010



Source: Summary and Highlights, International Affairs Function 150, FY2010 and CRS Calculations.

Background and Trends

The rationale for foreign affairs programs has transitioned from a largely anti-communist orientation for more than 40 years following World War II to a more recent focus on national security and anti-terrorism in the post September 11, 2001, environment. During the Cold War, foreign aid and diplomatic programs also pursued a number of other U.S. policy interests, such as promoting economic development, advancing U.S. trade, expanding access to basic education and health care, promoting human rights, and protecting the environment. In the 1990s, other objectives included stopping nuclear weapons proliferation, establishing nuclear arms control regimes, curbing the production and trafficking of illegal drugs, expanding peace efforts in the Middle East, achieving regional stability, protecting religious freedom, and countering trafficking in persons.

A defining change in focus came following the September 11, 2001, terrorist attacks in the United States. Since then, U.S. foreign aid and diplomatic programs have taken on a more strategic sense of importance and have been frequently cast in terms of contributing to the war on terrorism. In 2002, President Bush released a National Security Strategy that for the first time established global development as the third pillar of U.S. national security, along with defense and diplomacy. Development was again underscored in the Administration's re-statement of the National Security Strategy released on March 16, 2006.

Also in 2002, foreign assistance budget justifications began to highlight the war on terrorism as the top foreign aid priority, emphasizing amounts of U.S. assistance to 28 "front-line" states—countries that cooperate with the United States in the war on terrorism or face terrorist threats themselves.¹ During the Bush years, the Administration implemented several new aid initiatives. Large reconstruction programs in Afghanistan and Iraq exemplified the emphasis on using foreign aid to combat terrorism. State Department efforts focused extensively on diplomatic security and finding new and more effective ways of presenting American views and culture through public diplomacy.

It appears that the Obama Administration will carry some Bush foreign aid initiatives forward. A transformational diplomacy initiative, announced in 2006, repositioned diplomats to global trouble spots, created regional public diplomacy centers, established small posts outside of foreign capitals, and trained diplomats in new skills. (See CRS Report RL34141, *Diplomacy for the 21st Century: Transformational Diplomacy*, by Kennon H. Nakamura and Susan B. Epstein, for background information.) At the same time, a new position was created at the State Department, a Deputy Secretary of State-level Director of Foreign Assistance (DFA), which was filled during the Bush Administration by the USAID Administrator. To date, the Obama Administration has not nominated a USAID Administrator and separate individuals are acting as DFA and USAID Administrator. The DFA created a new Strategic Framework for Foreign Assistance with the ultimate goal of promoting democracy and providing more coordination, coherence, transparency, and accountability for aid programs. The Obama Administration's first international affairs budget proposal continues to use this framework.²

¹ According to the State Department, these "front-line" states in 2002 included Afghanistan, Algeria, Armenia, Azerbaijan, Bangladesh, Colombia, Djibouti, Egypt, Ethiopia, Georgia, Hungary, India, Indonesia, Jordan, Kazakhstan, Kenya, Oman, Pakistan, Philippines, Poland, Russia, Saudi Arabia, Tajikistan, Tunisia, Turkey, Turkmenistan, Uzbekistan, and Yemen.

² For background, see CRS Report RL34243, *Foreign Aid Reform: Issues for Congress and Policy Options*, by Susan (continued...)

Other Bush initiatives that the Obama Administration request continues address development and global health concerns. The Millennium Challenge Corporation (MCC) is an aid delivery concept, proposed by President Bush in 2002, authorized by Congress (Title VI, Division D of P.L. 108-199) and established in early 2004. It is intended to concentrate significantly higher amounts of U.S. resources in a few low- and low-middle income countries that have demonstrated a strong commitment to political, economic, and social reforms. President Bush initially promised \$5 billion annually by FY2006, although funds requested and appropriated have never reached this level. The Obama Administration requested \$1.43 billion for MCC in FY2010, which is 64% above estimated FY09 appropriations, but the smallest request for MCC since its first year. (For more information, see CRS Report RL32427, *Millennium Challenge Corporation*, by Curt Tarnoff.)

Building on large Bush Administration investments in global health, particularly programs to combat HIV/AIDS,³ the Obama Administration announced in May 2009 plans to dedicate \$63 billion to global health programs through FY2014, but the Administration's FY2010 budget proposal includes only slight increases to global HIV/AIDS and other international health programs.

Beyond these recently emerging foreign policy goals relating to terrorism and global health concerns, the Obama Administration's FY2010 request calls for even greater emphasis on food security, as well as new resources to address issues related to climate change. The House-passed FY2010 State-Foreign Operations bill expressed support for these priorities as well.

FY2010 Budget Request Overview

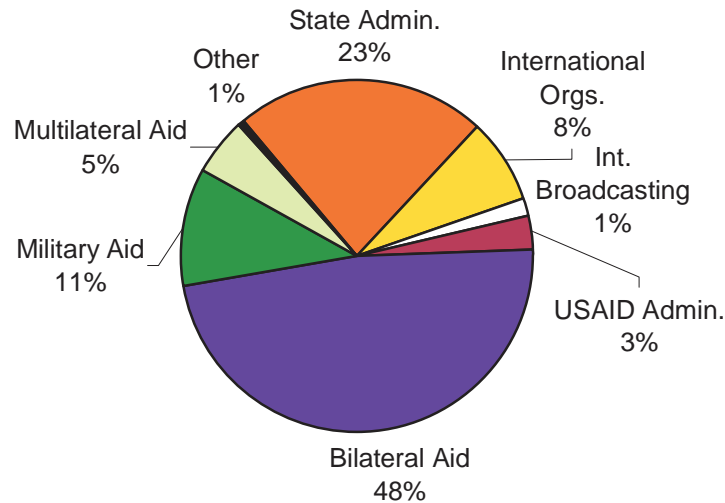
On May 7, 2009, the Obama Administration sent its FY2010 international affairs (Function 150 account) budget request to Congress. Of that request, a total of \$52.04 billion, or 97%, was for the Department of State, foreign operations, and related programs. This represents a 3% increase from estimated FY2009 funding, including supplemental funds, and 4.6% of the total discretionary budget authority proposed by the Administration for FY2010. **Figure 2** provides a percentage breakout by assistance type of the FY2010 budget request for State and foreign operations. Further details of the international affairs account are provided in .

(...continued)

B. Epstein and Connie Veillette.

³ For background on PEPFAR, the Bush Administration's main HIV/AIDS initiative, see CRS Report RL34192, *PEPFAR: Policy Issues from FY2004 through FY2008*, by Tiaji Salaam-Blyther.

Figure 2. Composition of the State-Foreign Operations Budget Request, FY2010



Source: Fiscal Year 2010 Budget of the U.S. Government and CRS calculations.

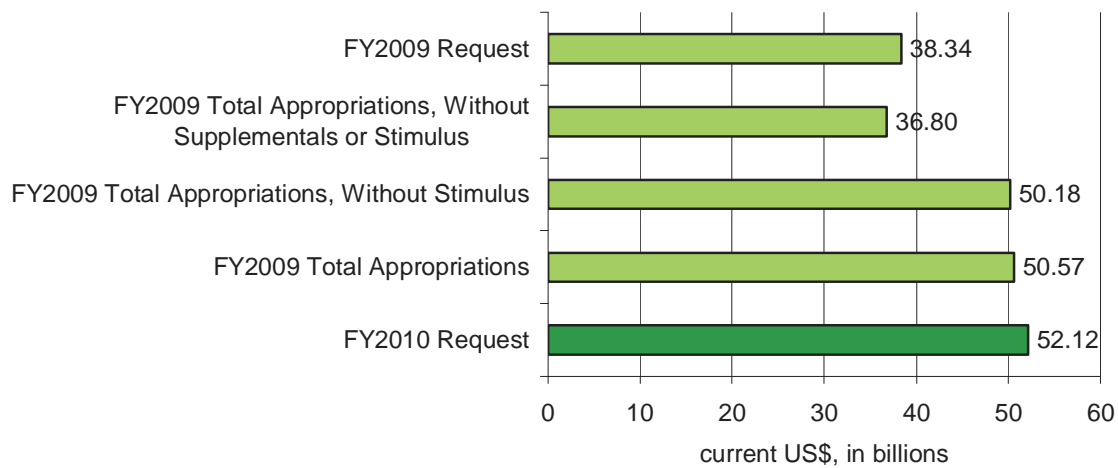
Note: Does not include \$159 million for mandatory retirement accounts.

Use of Supplemental Funding

Supplemental resources for State and Foreign Operations programs, which in FY2004 exceeded regular State and Foreign Operations funding, became a significant source of funds for U.S. international activities during the Bush Administration, especially for programs related to reconstruction efforts in Iraq and Afghanistan and strategic assistance to the Near East and South Central Asia. Before the Bush Administration, supplemental appropriations bills were typically used to provide additional funding to respond to unanticipated emergencies or natural disasters. Some have criticized the Bush Administration for relying too heavily on supplemental funds for predictable expenses, keeping funds off-budget and making year-to-year comparisons or future-year planning difficult.

The Obama Administration has pledged to discontinue the practice of requesting supplemental appropriations to fund ongoing activities, starting with the FY2010 request, and claims that all anticipated funding for FY2010 has been included in the request. As a result, the FY2010 request for State-Foreign Operations is 36% higher than the FY2009 request of \$38.34 billion, and 42% higher than the FY2009 base appropriations (excluding all supplementals), but only 3% higher than the total appropriated for State-Foreign Operations in FY2009 when supplemental appropriations are included. If funding for the 2009 stimulus bill is excluded from the FY2009 total, which some observers feel it should be because it presumably represents a one-time expense, the FY2010 request is 4% higher. **Figure 3** presents these various ways of comparing the FY2010 State-Foreign Operations budget request with FY2009 State-Foreign Operations appropriations.

Figure 3. FY2010 State-Foreign Operations Request Compared to Various Measures of FY2009 Funding



Source: State Department data; CRS calculations.

Note: These figures reflect the composition of the State-Foreign Operations appropriations bill, not the 150 budget account.

FY2010 Budget Request: State Department and Related Agencies

The Administration's FY2010 budget request for the Department of State, international broadcasting, and related agencies is \$17.20 billion, representing a 6% increase over the FY2009 estimate of \$16.16 billion, including supplementals. The request for the State Department and certain related agencies is \$16.30 billion, an 8% increase over total FY2009 appropriation of \$15.09 billion. For international broadcasting, the FY2010 request of \$745.5 million represents a 4% increase over the FY2009 total of \$715.5 million. Related agencies funded in the State portion of the bill include the Broadcasting Board of Governors (BBG), U.S. assessed contributions to the United Nations (U.N.), U.S. contributions to International Organizations (CIO), and U.N. Peacekeeping (CIPA), and funding for several International Commissions. Also included are funding for The Asia Foundation, the National Endowment for Democracy, and several other independent, non-profit educational and exchange organizations, as well as resources for international commissions, and the U.S. Institute of Peace. (For a description of all the accounts within the State Department segment of the bill, see CRS Report R40482, *State, Foreign Operations Appropriations: A Guide to Component Accounts*, by Curt Tarnoff and Kennon H. Nakamura.)

The House Appropriations Committee approved \$15.9 billion for the Department of State and related agencies on June 23, 7.5% less than the Administration request. However, many of account recommendations that fall short of the request reflect significant FY2009 supplemental funding that many consider a down payment on FY2010 priorities shared by Congress and the Administration.

Table 3 and **Figure 4** show appropriations for the State Department and related agencies over the past decade in both current and constant dollars.

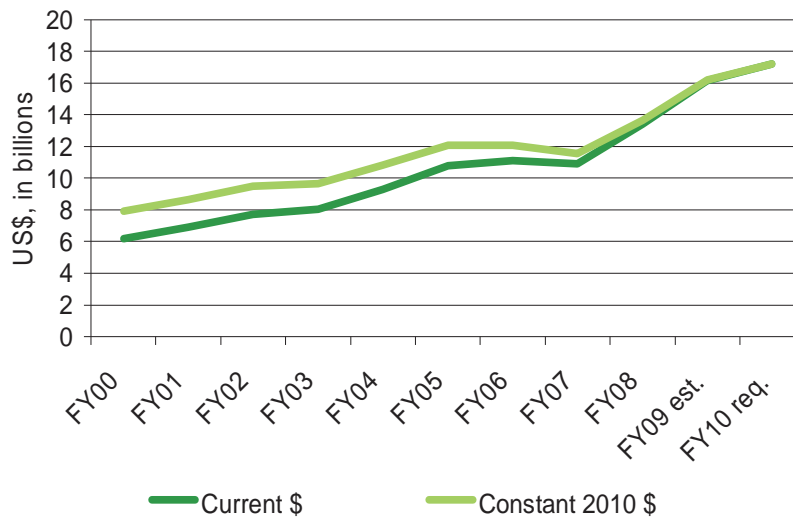
Table 3. State Department and Related Agencies Appropriations, FY2000-FY2010
(discretionary budget authority in billions of current and 2010 constant dollars)

	FY00	FY01	FY02	FY03	FY04	FY05	FY06	FY07	FY08	FY09 est.	FY10 req.
Current \$	6.16	6.91	7.71	8.05	9.29	10.78	11.12	10.90	13.41	16.16	17.20
Constant 2010 \$	7.89	8.65	9.47	9.63	10.80	12.09	12.06	11.56	13.65	16.19	17.20

Source: The Department of State Congressional Budget Justifications, FY2001 - FY2010 and CRS calculations.

Notes: Amounts do not include mandatory Foreign Service retirement accounts that total \$159 million in FY2010. Figures include regular and supplemental appropriations. Figures for FY2010 are requested amounts.

Figure 4. State Department and Related Agencies Appropriations, FY2000-FY2010



Source: The Department of State Congressional Budget Justifications, FY2001 - FY2010 and CRS calculations.

State Department—Administration of Foreign Affairs

The State Department’s mission is to advance and protect the worldwide interests of the United States and its citizens through the staffing of overseas missions, the conduct of U.S. foreign policy, the issuance of passports and visas, and other responsibilities. Currently, the State Department coordinates with the activities of more than 40 U.S. government agencies at over 260 diplomatic posts in over 180 countries around the world. The State Department employs approximately 30,000 people, about 60% of whom work abroad. The Administration of Foreign Affairs includes funds for salaries and expenses, educational and cultural exchanges, and embassy construction and security. For FY2010, the Administration is seeking \$12.07 billion, an increase of more than \$1.16 billion (+11%) over the enacted FY2009 level, with supplementals. The House recommendation is \$11.01 billion. Highlights follow.

Diplomatic and Consular Programs (D&CP)

The D&CP account funds most salaries and benefits; overseas operations (e.g., motor vehicles, local guards, telecommunications, medical); activities associated with conducting foreign policy; passport and visa applications; regional and functional bureaus and their programs; public

diplomacy programs; Offices of the Secretary of State, the Deputy Secretaries, and Under Secretaries; and post assignment travel. Beginning in FY2000, the State Department's Diplomatic and Consular Program account included State's salaries and expenses, as well as the technology and information functions of the former U.S. Information Agency (USIA) and the functions of the former Arms Control and Disarmament Agency (ACDA).

The Administration is requesting \$8.96 billion for D&CP's FY2010 budget, \$1.81 billion more than the FY2009 enacted total of \$7.15 billion, including supplementals. The D&CP account includes an increase in personnel of 1,181 positions above attrition with about 750 of these new positions reserved for the Foreign Service. The increase reflects the Obama Administration's intention to significantly expand U.S. diplomatic capacity. Within the FY2010 D&CP request, public diplomacy would receive \$506.3 million and \$1.65 billion is designated for worldwide security protection (for increased security personnel, maintenance, and ongoing salaries). These amounts represent 23.4% and 25% increases, respectively, above the FY2009 estimates of \$410.4 million and of \$1.31 billion.

The House bill recommends \$8.23 billion for D&CP, including \$1.58 billion for worldwide security protection, \$520 million for public diplomacy, and \$542 million to support 1,030 new positions for diplomatic and development personnel. The House reports identifies the rebuilding of diplomatic and development capacity as one of four committee priorities for FY2010.

Embassy Security, Construction and Maintenance (ESCM)

This account supports the maintenance, rehabilitation, and replacement of facilities to provide appropriate, safe, secure and functional facilities for U.S. diplomatic missions abroad. Average annual funding for this account has increased significantly since the embassy bombings in Africa in August 1998, after which Congress establishing a new subaccount referred to as Worldwide Security Upgrades. This subaccount funds the bricks and mortar type of security needs overseas.

For FY2010, the Administration seeks \$876.9 million for ongoing ESCM operations and \$938.2 million for worldwide security upgrades, the later of which is planned to support new facilities in Kabul, Afghanistan; Peshawar and Islamabad, Pakistan; Sanaa, Yemen; and Dakar, Senegal. The total request for the ESCM account is \$1.82 billion, representing a 32% decrease over the FY2009 estimated level of \$2.7 billion. This change reflects anticipated completion of Embassy Baghdad in FY2009.

The House bill recommends \$1.724 billion for ESCM, noting that the \$91 million difference between their recommendation and the President's is made up for in FY2009 supplemental funds provided to accelerate completion of secure housing for diplomatic and development personnel in Pakistan.

Civilian Stabilization Initiative

The Civilian Stabilization Initiative was established in 2004 to improve the ability of U.S. civilian agencies to promote stability in post-conflict situations internationally. An Office of the Coordinator of Reconstruction and Stabilization was created at the State Department (S/CRS) to monitor, plan for, and coordinate interagency responses to such situations, and to develop mechanisms and capabilities necessary to carry out such operations. As part of its mandate, S/CRS is charged with establishing a Civilian Response Corps (CRC) of trained federal civilian

employees, as well as non-governmental civilian personnel with expertise in various sectors, who can be rapidly deployed to post-conflict environments when a “surge” of personnel is warranted. Congress provided \$65 million for S/CRS and related USAID activities, including the establishment and implementation of civilian response capabilities, in the Supplemental Appropriations Act, 2008 (P.L. 110-252). Congress provided another \$75 million in FY2009 appropriations in the Omnibus Appropriations Act, 2009 (P.L. 111-8), with \$30 million of that amount appropriated for USAID and \$45 million for the Department of State. The CRC was formally launched in July 2008.

The Obama Administration’s FY2010 request includes \$323 million for the Civilian Stabilization Initiative, representing a 331% increase over the \$75 million appropriated for this account in FY2009. All of the funding requested for CSI was within the State Department Administration of Foreign Affairs section of the request. The Administration says that the increased funding will support the recruitment, development, and training of both the active and standby components of the CRC, as well as operating expenses and 10 new staff positions for S/CRS.

The House bill recommends \$125 million for CSI under the State Department, and an additional \$30 million under USAID.

Educational and Cultural Exchanges

This account funds programs authorized by the Mutual Educational and Cultural Exchange Act of 1961, such as the Fulbright Academic Exchange Program, as well as leadership programs for foreign leaders and professionals. Government exchange programs came under close scrutiny in past years for being excessive in number and duplicative. After the September 11 attacks, the Department of State began to emphasize public diplomacy activities in Arab and Muslim populations. The Obama Administration is requesting \$633 million for exchanges in FY2010. This represents an 18% increase over the FY2009 estimate. The additional funds would expand English language and alumni programs and support 29 new staff positions to improve management of expanding programs.

The House bill recommends \$600 million for educational and cultural exchanges.

The Capital Investment Fund (CIF)

CIF was established by the Foreign Relations Authorization Act of FY1994/95 (P.L. 103-236) to provide for purchasing information technology and capital equipment that would ensure the efficient management, coordination, operation, and utilization of State’s resources.

The FY2010 budget request includes \$160 million for CIF, which is 51% lower than the FY2009 estimate of \$323 million, including Recovery Act funding of \$252.0 million. The House bill matches the Administration’s request.

International Organizations and Conferences

In recent years, U.S. contributions to the United Nations and its affiliated agencies (Contributions to International Organizations—CIO) and peacekeeping activities (Contributions to International Peacekeeping Account—CIPA) have been affected by a number of issues. These have included the withholding of funds related to international family planning policies; issues related to

implementation of the Iraq Oil for Food Program, and the findings and recommendations of the Volcker Committee Inquiry into that program; alleged and actual findings of sexual exploitation and abuse by personnel in U.N. peacekeeping operations in the field and other misconduct by U.N. officials at U.N. headquarters in New York and at other U.N. headquarters venues; and efforts to develop, agree to, and bring about meaningful and comprehensive reform of the United Nations organization, in most of its aspects.

Contributions to International Organizations (CIO)

CIO provides funds to pay the assessed U.S. membership dues (as distinguished from the voluntary contributions to international organization made through the Foreign Operations account) in numerous international organizations and for multilateral foreign policy activities. Maintaining a membership in international organizations, the Administration argues, benefits the United States by advancing U.S. interests and principles while sharing the costs with other countries. Payments to the United Nations and its affiliated agencies, the Inter-American Organization, as well as other regional and international organizations, are included in this account to meet assessed contribution levels. The President's FY2010 request totals \$1.80 billion for this account, representing a 12% increase over the estimated FY2009 level of \$1.60 billion, including supplementals. Within the request is \$175 million in "synchronization" payments to get the United States up to date on payments to international organizations, and \$50 million for the U.N. Population Fund, for which no funding was requested during the previous administration.

The House recommendation for CIO is \$1.7 billion, with \$100 million less than the Administration requested for synchronization payments.

Contributions to International Peacekeeping Activities (CIPA)

The United States supports multilateral peacekeeping efforts around the world through payment of its share of the U.N. assessed peacekeeping budget. The President's FY2010 request of \$2.26 billion is intended to pay the full U.S. assessed share of U.N. peacekeeping mission expenses. The request represents a 5% decline from the FY2009 estimate of \$2.39 billion, which includes more than \$870 million in supplemental appropriations.

The House recommends of \$2.13 billion for CIPA, or 6% less than the Administration request.

International Commissions

The International Commissions account (in the State Department budget, but not a part of the 150 account) includes the U.S.-Mexico Boundary and Water Commission, the International Fisheries Commission, the International Boundary and Water Commission (IBWC), the International Joint Commission, the Border Environment Cooperation Commission, the Commission for the Preservation of America's Heritage Abroad, the Commission on International Religious Freedom, the Commission on Security & Cooperation in Europe, the Congressional-Executive Commission on the People's Republic of China, and the United States-China Economic Security and Review Commission. The FY2010 request of \$145.5 million represents a 58% decrease over the FY2009 total of \$350 million, which included \$220 million in stimulus funds for IBWC construction. The House largely matched the request, including an additional \$5 million for the International Fisheries Commission for a total of \$150.5 million.

Related State Department Appropriations

Several private, non-profit organizations receive U.S. funding through State Department appropriations. The FY2010 request for The Asia Foundation, which supports efforts to strengthen democratic processes and open markets in Asia, is \$16.23 million, a 1% increase over the FY2009 estimate. The International Center for Middle Eastern-Western Dialogue Trust Fund, established in FY2004 by P.L. 108-199, would be authorized in FY2010 to disburse \$875,000 (compared with \$876,000 in FY2009) of interest and earnings from the Trust Fund to be used for programming activities and conferences. The National Endowment for Democracy would receive a 13% budget cut, from \$115 million in FY2009 to \$100 million requested for FY2010, to carry out programs to strengthen democratic institutions throughout the world. The East-West Center, established in 1960 by Congress to promote understanding and cooperation among the governments and peoples of the Asia/Pacific region and the United States, would receive \$11.7 million under the Administration's budget, a decrease of 44% from the FY2009 funding estimate of \$21 million. Additionally, the Administration is requesting \$49.2 million for the U.S. Institute of Peace, established in 1984 by P.L. 98-525 to promote international peace through activities such as educational programs, conferences and workshops, professional training, applied research, and dialogue facilitation in the United States and abroad. This request represents a \$18.2 million (59%) increase from the FY2009 estimate of \$31.0 million.

The House recommendation matches the Administration request with two exceptions: the House included no funding for the East-West Center and recommended \$19 million (\$2.77 million more than requested) for The Asia Foundation.

Broadcasting Board of Governors

The Administration's FY2010 funding request for the BBG, which broadcasts to the world through radio, television, the Internet, and other media in 60 languages, is \$745.5 million, or \$30.0 million (4%) above the FY2009 level of \$715.5 million. The BBG budget is composed of two elements: the International Broadcasting Operations and Broadcasting Capital Improvements. The FY2010 request for the International Broadcasting Operations portion, which provides funding for the Voice of America, Radio Free Asia, and the Middle East Broadcasting network, among other broadcast services, is \$732.2 million. This is \$28 million above the FY2009 estimate of \$704.2 million, or an increase of about 4%. The FY2010 request for Broadcasting Capital Improvements, at \$13.3 million, is 17% higher than the FY2009 estimate of \$11.3 million.

In prior years, the BBG has separated out funding for broadcasts to Cuba. The Administration's FY2010 proposal does not include a separate line item for Cuba, but includes \$32.5 million in funding for the Office of Cuba Broadcasting within the International Broadcasting Operations account.

The House recommendation matches the Administration's request.

FY2010 Budget Request: Foreign Operations

The Foreign Operations budget comprises the majority of U.S. foreign assistance programs, both bilateral and multilateral. (See **Appendix D** for Foreign Operations accounts and funding levels.) The annual State-Foreign Operations Appropriations bill funds all U.S. bilateral development assistance programs, with the exception of food assistance appropriated through the Agriculture

Appropriations bill (for which \$2.42 billion was appropriated in FY2009 and \$1.89 billion is requested for FY2010). These funds are managed primarily by USAID and the State Department, together with several smaller independent foreign aid agencies such as the Millennium Challenge Corporation, the Peace Corps, and the Inter-American and African Development Foundations. The legislation also supports U.S. contributions to major multilateral financial institutions, such as the World Bank and United Nations entities, and includes funds for the Export-Import Bank, whose activities are regarded more as trade promotion than foreign aid. On occasion, the bill replenishes U.S. financial commitments to international financial institutions, such as the World Bank and the International Monetary Fund. (For a description of all the accounts within the Foreign Operations section of the bill, see CRS Report R40482, *State, Foreign Operations Appropriations: A Guide to Component Accounts*, by Curt Tarnoff and Kennon H. Nakamura.)

The foreign operations budget request for FY2010 totals \$34.85 billion in foreign assistance programs, representing a 1% increase from the estimated FY2009 level of \$34.51 billion. **Table 4** and **Figure 5** provide funding levels, including supplemental appropriations and rescissions, for foreign operations since FY2000 in both current and constant dollars. Between FY2000 and FY2009, foreign aid funding increased 110% in current dollars, and by 64% in constant dollars.

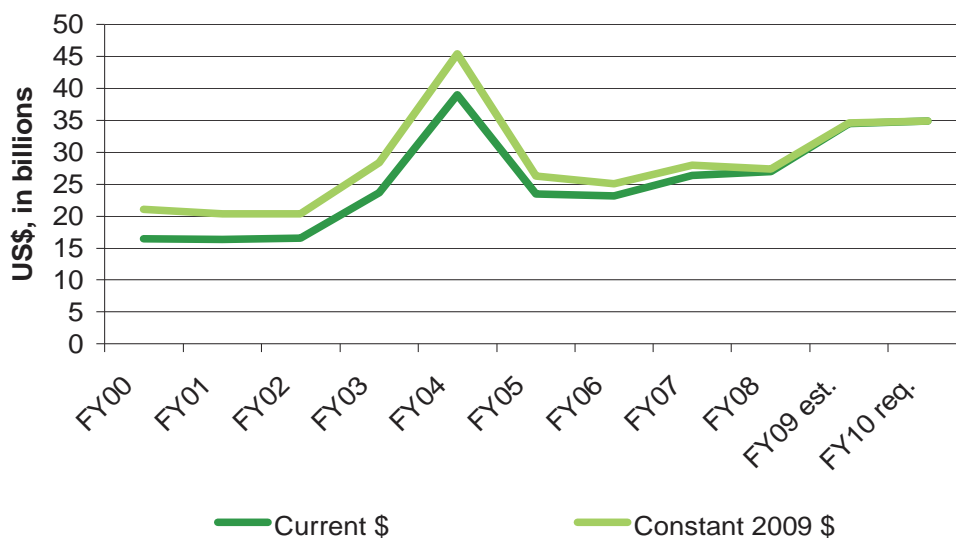
Table 4. Foreign Operations Appropriations, FY2000-FY2010
(discretionary budget authority in billions of current and constant dollars)

	FY00	FY01	FY02	FY03	FY04	FY05	FY06	FY07	FY08	FY09 est.	FY10 req.
Current \$	16.41	16.31	16.54	23.67	39.05	23.45	23.13	26.38	26.98	34.51	34.85
Constant 2010 \$	21.02	20.41	20.32	28.32	45.41	26.30	25.08	27.97	27.37	34.56	34.85

Source: The Foreign Operations Congressional Budget Justification, FY2001-FY2010 and CRS calculations.

Notes: Figures for FY2010 are requested amounts. Figures for FY2009 include all supplementals.

Figure 5. Foreign Operations, FY2000-FY2010



Source: The Foreign Operations Congressional Budget Justification, FY2001-FY2010, and CRS calculations.

The total House recommendation for Foreign Operations is \$32.94 billion, which is 5% less than the Administration’s request.

Top 10 U.S. Foreign Aid Recipient Countries

Prior to the wars in Iraq and Afghanistan, Israel and Egypt typically received the largest amounts of U.S. foreign aid every year since the Camp David Peace Accords in 1978. The reconstruction efforts in Iraq and Afghanistan moved those countries into the top five, though assistance to Iraq has declined sharply in the past couple of years, with the FY2010 request of \$500 million falling just outside of the top 10. West Bank & Gaza funding also fell just outside of the top 10 in the FY2010 request, with the recommended \$503 million representing a 45% reduction from the FY2009 estimate of \$910 million. South Africa, a recipient of significant HIV/AIDS assistance, and Colombia, a recipient of significant counter-narcotics assistance, emerge among the top 10 recipients in the FY2010 request, though the requested funding does not represent a significant increase. The \$548 million requested for South Africa is just over the \$541 million estimated for FY2009, and the \$513 million requested for Colombia is lower than the FY2009 estimate of \$542 million. See **Table 5** for top U.S. aid recipients in FY2009 and the FY2010 request.

Table 5. Top 10 Recipients of U.S. Foreign Aid in FY2009, FY2010 Request
(in millions of current \$)

FY2009 Est.		FY2010 request	
Country	Estimated Allocation	Country	Requested Allocation
Israel	3,105	Afghanistan	2,777
Afghanistan	2,676	Israel	2,775
Pakistan	2,119	Pakistan	1,582
Egypt	1,866	Egypt	1,555
Jordan	1,022	Jordan	693
West Bank & Gaza	910	Kenya	659
Kenya	702	Nigeria	561
Mexico	673	South Africa	548
Iraq	588	Ethiopia	546
Ethiopia	575	Colombia	513

Note: FY2009 figures are preliminary estimates from the F Bureau that include all supplementals.

FY2010 Foreign Operations Account Details

When the Obama Administration submitted its FY2010 foreign operations budget proposal in May 2009, it calculated that the request was a 9% increase over FY2009 funding, including the supplemental request then pending before Congress, which included \$4.5 billion for foreign operations accounts. However, the supplemental bill (H.R. 2346/H.Rept. 111-151) that was signed by the President on June 24, 2009 (P.L. 111-32) included \$7.04 billion for foreign operations, reducing the increase between enacted FY2009 appropriations and the FY2010 request for foreign operations to 1%. Because Congress enacted the spring FY2009 supplemental after the Obama administration took office in January 2009, and a significant portion was enacted after the FY2010 budget proposal was released, it may be difficult to detect shifting policies and priorities by comparing the FY2009 appropriations to the FY2010 request.

The FY2010 Congressional Budget Justification highlights a proposed increase in economic assistance to thwart a resurgence of the Taliban in Afghanistan and Pakistan by promoting economic development and enhancing counternarcotics activities. However, so much supplemental funding has been appropriated for Afghanistan and Pakistan in FY2009 that the FY2010 economic assistance (excluding military aid) request for these countries, at \$2.78 billion and \$1.28 billion, respectively, represents only a 4% and 15% increase, respectively. Compared with FY2008 appropriations, however, the FY2010 request is a 32% increase for Afghanistan and a 189% increase for Pakistan. The House recommends \$2.54 billion for Afghanistan and \$1.46 billion for Pakistan under the ESF, INCLE, and FMF accounts, but does not specify a portion of NADR, GHCS, or other funds for either country, which the Administration's request includes.

The Administration also proposes in its FY2010 budget request to meet financial commitments to multilateral development banks, the United Nations, and other international multilateral organizations with a request for \$2.70 billion, a 46% increase over the total FY2009-enacted level. The Administration's stated goal for this funding is to enhance the United State's leadership role within these forums and address food insecurity through a \$12 million (66%) increase in

funding to the International Fund for Agricultural Development. A new request for \$600 million for international clean technology and strategic climate funds at the World Bank is, according to the Administration, intended to demonstrate a U.S. commitment to addressing problems related to climate change.

The House recommendation of \$2.43 billion for multilateral assistance largely follows the request, though it included only half the funds requested (\$300 million) for the clean technology and strategic climate funds, and an additional \$38.5 million for international organizations and programs. Among these, the House recommended increases for the UN Children's Fund, the UN Development Program, the UN Population Fund, the UN High Commissioner on Human Rights, the UN Women's Fund, and the UNIFEM Trust Fund, while recommending less than the request for the UN Democracy Fund.

Other foreign operations accounts that would see significant changes from the total FY2009 levels in the FY2010 budget proposal or House recommendation include the following:

USAID operating expense and capital investment accounts, which would fund the Administration's proposal to create an additional 350 Foreign Service Officer positions at USAID, would increase by 36% and 74%, respectively, under the request. The House matched the capital investment request and recommended a 31% increase for operating expenses.

Development Assistance, from which additional funding would support the Administration's agricultural development and food security priorities, would increase by 37% under the Administration request, and 24% under the House recommendation.

Emergency Refugee & Migration Assistance would increase by 88% under both the Administration and House plans, as a means of reducing reliance on supplemental appropriations.

International Disaster Assistance would receive a 7% increase under the Administration request to address emergency food security and certain new responsibilities taken over from the Federal Emergency Management Agency, but the House recommended a 1% increase.

The Millennium Challenge Corporation would receive an increase of more than 60% over FY2009 levels under both the Administration request and the House recommendation.

Treasury Department's Debt Restructuring Activities would get an 84% increase under the request, to meet U.S. commitments related to the enhanced Heavily Indebted Poor Countries (HIPC) initiative, while the House recommends level funding.

International Military Education and Training would increase 19% under both the Administration and House proposals.

Non-Proliferation, Anti-Terrorism and Demining would increase by 21% under the Administration request, to fund a portion of the new Shared Security Partnership Initiative (discussed below under "New Initiatives"), while the House recommendation is a 6% increase.

International Narcotics Control and Law Enforcement would grow by 25% under the Administration request, to incorporate activities previously funded through the Andean Counterdrug Initiative account, combat opium production and trafficking in Afghanistan, fund Merida Initiative programs in Mexico and Central America, and expand civilian law enforcement

support to Pakistan. The House recommendation is 16% below the request, but 4% above the FY2009 total.

The **Transition Initiatives (TI)** account would receive a 152% increase over the FY2009 estimated appropriation under the Administration request. However, the request is 22% above actual FY09 funding for TI, which, since FY2003, has routinely received at least half its funds through transfers from other accounts. The House recommends a 100% increase over the FY2009 level.

Only a few accounts would receive less than their estimated FY2009 appropriation under the Administration's FY2010 request.

Assistance for Europe, Eurasia and Central Asia would decline by 17% under the Administration request and 22% under the House recommendation, due to the large FY2009 supplemental funding for Georgia.

The **Economic Support Fund** would be reduced by 9% under the Administration request, reflecting the end of assistance related to the global financial crisis, a shift of funding for Indonesia and the Philippines to the Development Assistance account, and well as reduced aid to Iraq, the West Bank and Gaza. The House recommendation calls for a 10% reduction from FY2009 funding.

Emergency Refugee and Migration Assistance would increase by 88%; however, regular **Migration and Refugee Assistance** funds would be cut by 12% under both the Administration and House proposals.

International Peacekeeping contributions would be reduced by 44% under the request, and 37% under the House recommendation, due largely to FY2009 levels inflated by large supplemental allocations for Somalia and the Democratic Republic of Congo.

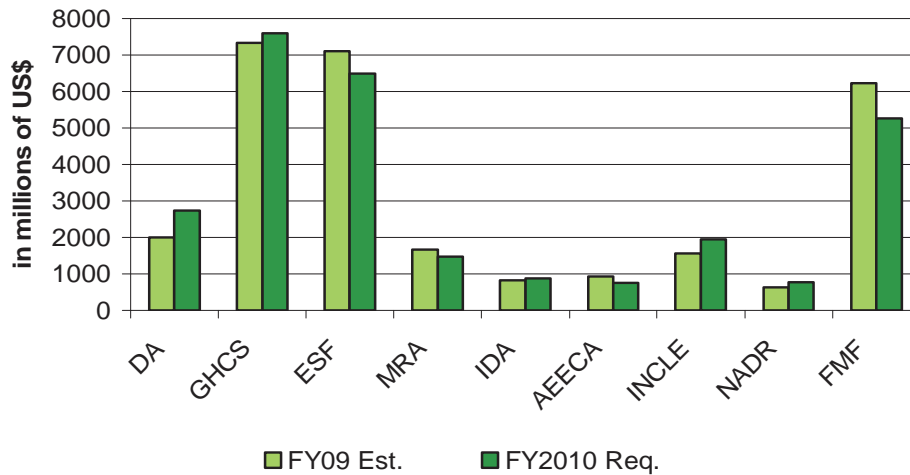
Foreign Military Financing would decrease by 15% under the request, reflecting large FY2009 supplemental FMF appropriations for Mexico, Egypt and Jordan. The House recommends a 32% cut from FY2009 (almost \$2 billion), noting that Congress "forward funded" a portion of the FMF request for Egypt, Israel and Jordan in the FY2009 supplemental.

Democracy Fund and **Fund for Ireland** were recommended by the House for increases (3% and 20%, respectively) over FY2009 levels, while neither account was included in the Administration request.

Export-Import Bank assistance was limited by a managers amendment to the House bill, first proposed by Representative Mark Kirk, which would restrict funds to countries having detonated a nuclear device in violation of the Treaty on the Non-Proliferation of Nuclear Weapons. The provision addresses concerns that current law does not prevent the Export-Import Bank from providing credit, insurance, or guarantees assistance to companies that contribute significantly to Iran's petroleum industry.

Figure 5 shows proposed changes to the largest bilateral assistance accounts. (See for FY2008 totals, FY2009 estimates, and the FY2010 request by account.)

Figure 6. Proposed Changes to Major Bilateral Assistance Accounts



Source: FY2010 International Affairs Congressional Budget Justification; CRS calculations.

Notes: DA = Development Assistance; GHCS = Global Health and Child Survival; ESF = Economic Support Fund; MRA = Migration and Refugee Assistance; IDA = International Disaster Assistance; AECCA = Assistance for Europe, Eurasia and Central Asia (prior to FY2009 this was two separate accounts - the Freedom Support Act (FSA) account and the Support for Eastern European Democracy (SEED) account); INCLE = International Narcotics Control and Law Enforcement; and NADR = Nonproliferation, Anti-terrorism and Demining; FMF= Foreign Military Financing.

New Initiatives

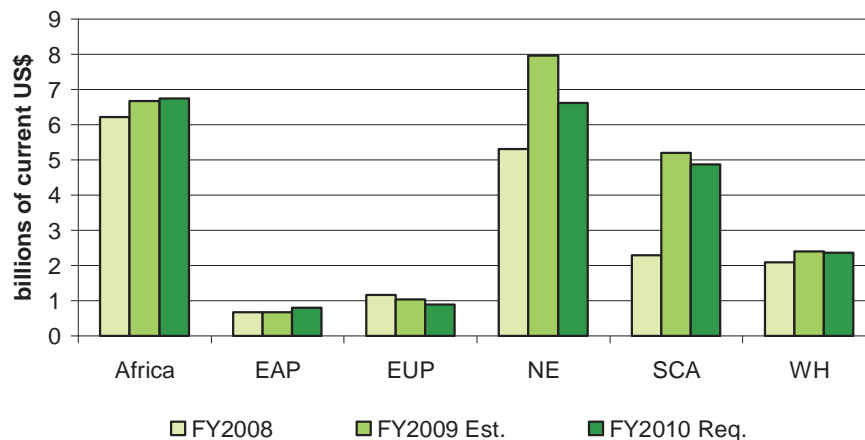
The Administration’s budget request calls for a new Shared Security Partnership, funded through the INCLE, NADR, PKO, and FMF accounts, to develop strategic partnerships aimed at confronting common threats. The House bill expresses support for this initiative, which would expand on the Trans-Sahara Counterterrorism Partnership and the East Africa Regional Strategic initiative program to develop and support Regional Strategic Initiatives designed to improve coordination and cooperation on global terrorism and crime issues.

Shortly before the May 7, 2009, release of the Administration’s FY2010 budget request, President Obama announced a six-year, \$63 billion Global Health Initiative. Of this amount, \$51 billion would support ongoing HIV/AIDS, tuberculosis, and malaria programs, and \$12 billion would address other health needs, including post-natal and child health. Administration officials have stated that the intention of the initiative is to move beyond the HIV-specific focus of the Bush Administration’s PEPFAR initiative and towards a more comprehensive and integrated approach to global health. This strategy has been applauded by many global health advocates, but others have expressed concern that the funding request does not match the rhetoric. The budget request does not show dramatic changes in total global health funding for FY2010 (the FY2010 request for Global Health and Child Survival is a 3% increase over the FY2009 total, including supplementals), prompting some critics to claim that global health programs will be asked to take on broader responsibilities without additional resources. However, the request does include sizable budget increases for relatively small programs to address neglected tropical diseases, avian influenza, and infectious disease surveillance. The House recommendation for the Global Health and Child Survival account is \$7.68 billion, or 1% more than the Administration’s request.

Regional Distribution

As shown in **Figure 6**, under the FY2010 proposal, Africa would be the region receiving the most U.S. foreign assistance, with a 1% increase over the FY2009 total, including supplementals, of \$6.67 billion bringing the request to \$6.74 billion. Funding for Africa would continue to be heavily focused on HIV/AIDS and other health programs, while expanding activities related to agriculture, governance, education, and economic growth. South and Central Asia would continue to see high aid levels, though the FY2010 proposal of \$4.87 billion is a 6% decrease from the total FY2009 estimate of \$5.20 billion. The Western Hemisphere would remain fairly steady, with the \$2.41 billion FY2009 total, including \$420 million in supplemental FMF and INCLE funds for Mexico, 2% higher than the \$2.37 billion request for FY2010. East Asia & Pacific would receive a 17% increase over the FY2009 estimate of \$690 million, which did not include funds requested by the Administration for North Korea, with priority given to ongoing support for Indonesia, increasing assistance to Burma, and funds available for negotiating the dismantlement of North Korea's nuclear program. The Near East would also receive a 17% reduction from the FY2009 total of \$7.96 billion, in part because of large increases to Israel, Egypt, and Jordan included in the FY2009 supplemental. Under the FY2010 proposal, most funds would go to Iraq, West Bank and Gaza, and for the Trans Sahara Counter-Terrorism Partnership. Cuts to Europe and Eurasia would also be substantial, at -14%, reflecting more pressing needs elsewhere.

Figure 7. Regional Distribution of Foreign Aid, FY2008-FY2010



Source: Foreign Operations Congressional Budget Justification, FY2010.

Note: FY2010 figures represent the Administrations request. EAP=East Asia and Pacific; EUR=Europe and Eurasia; NE=Near East; SCA=South and Central Asia; WH=Western Hemisphere.

Iraq and Afghanistan Share of Total Aid Budget

Including both base budgets and supplemental appropriations, the share of U.S. bilateral foreign assistance going to Iraq and Afghanistan has increased sharply since FY2002. Foreign aid to Afghanistan has increased significantly, though inconsistently, since the U.S. invasion of Afghanistan in 2001, and the FY2010 request for Afghanistan—\$2.78 billion—would provide the

highest funding to date for that country. For Iraq, assistance consisted of small sums to support Iraqi opposition groups in the early 2000s, but picked up precipitously in FY2004 to more than \$17 billion, before dropping sharply back in recent years. The FY2010 request for Iraq is \$500 million, down 15% from the FY2009 estimate. The portion of the foreign operations budget allocated to Iraq and Afghanistan has hovered just under 10% in the past few years after reaching 50% in FY2004, the peak of Iraq reconstruction and rehabilitation appropriations. It is important to note, however, that both countries receive significant assistance through the Defense appropriations bill, which is not covered in this report. **Table 6** tracks funding to both countries from FY2002 through FY2009, including the FY2010 request. The FY2010 requested funding for Iraq and Afghanistan represents 9% of total funding requested for foreign operations.

Table 6. State-Foreign Operations Appropriations for Iraq and Afghanistan, FY2002-FY2010

(millions of current U.S. dollars)

	FY02	FY03	FY04	FY05	FY06	FY07	FY08	FY09	FY10 req.
Iraq	25.0	2,890.0	17,849.5	27.7	1,657.7	2,159.9	633.1	588.0	500.0
Afghanistan	686.1	589.6	1,798.7	2,674.1	967.8	1,827.8	2,103.7	2,676.0	2,777.0
Total, as % of foreign operations	4.3%	14.7%	50.3%	12%	11.3%	15.3%	9.9%	9.5%	9.4%

Source: U.S. Department of State, Foreign Operations Congressional Budget Justifications, FY2004 through FY2010, and CRS calculations. Figures here do not include Department of Defense funds. For more information, see CRS Report RL31833, *Iraq: Reconstruction Assistance*, by Curt Tarnoff, and CRS Report RL30588, *Afghanistan: Post-Taliban Governance, Security, and U.S. Policy*, by Kenneth Katzman.

Note: Figures include supplemental funding.

Sector Distribution

Over the years, Congress has expressed interest in various discrete aid sectors, such as education, trade, maternal and child health, and biodiversity, that are either subcategories of the “Program Area” level depicted in the budget funding tables or are budgeted across multiple program elements or areas.

Table 7 compares the FY2009 and FY2010 budget requests for key interest areas identified by the Administration—obligated and actual FY2009 funding levels for these sectors are not available. The 487% increase in the request for Clean Energy and 672% increase requested for Global Climate Change, compared with the FY2009 requests, seems to demonstrate the Obama Administration’s heightened interest in global environmental issues. Particularly large increases were also proposed for Avian Influenza (+145%), to strengthen national capacities to prepare for and respond to the emergence of pandemic-capable viruses, such as H1N1 (“swine flu”), and for Other Public Health Threats (+103%) to address neglected tropical diseases, containment of anti-microbial resistance, and infectious disease surveillance.

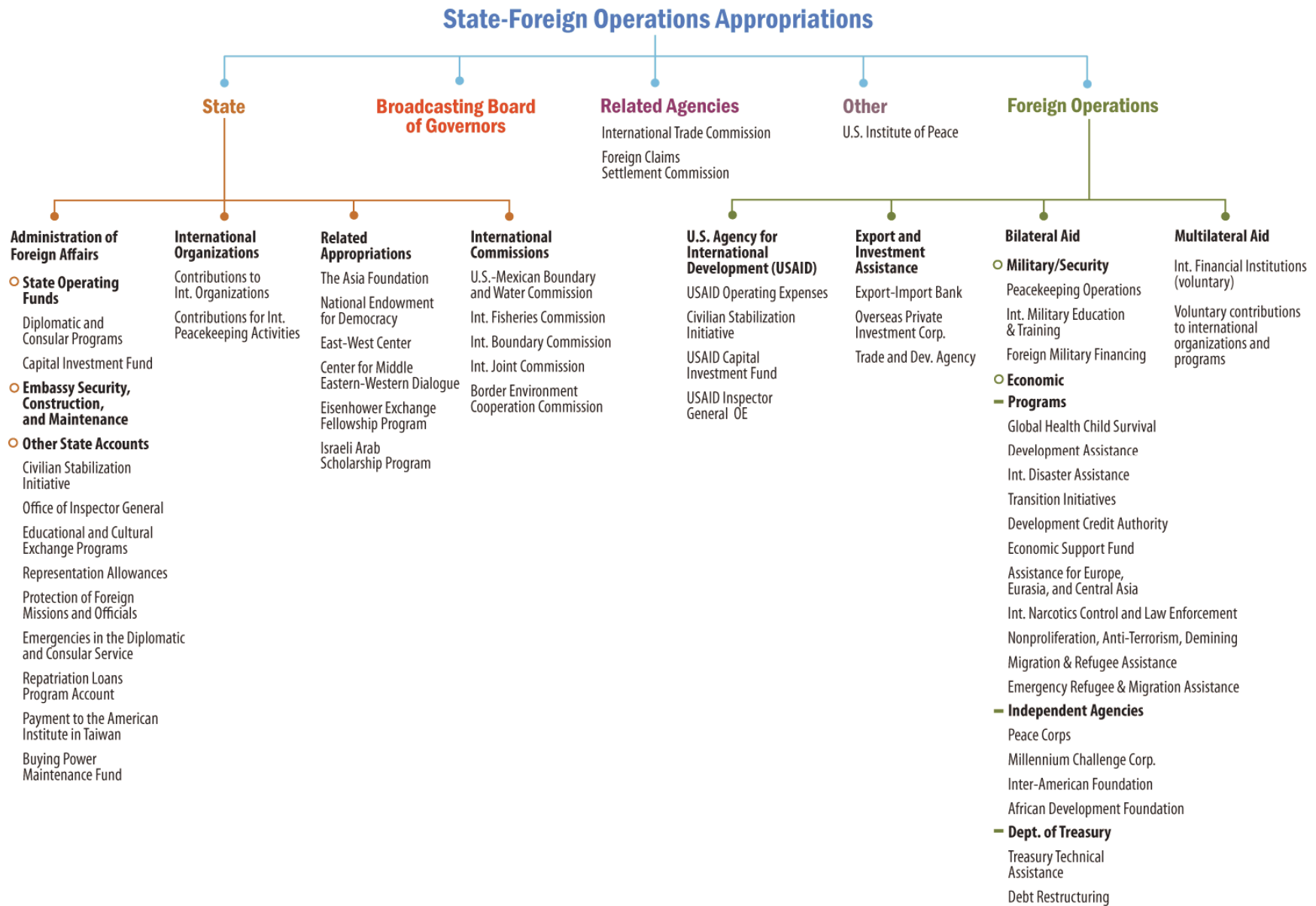
Table 7. Selected Sector Funding, FY2009 Request and FY2010 Request

(millions of current U.S. dollars)

Sector	FY2009 Req.	FY2010 Req.	% Change
Avian Influenza	\$51	\$125	+145%
Basic Education	\$625	\$1,001	+60%
Biodiversity	\$125	\$184	+47%
Clean Energy	\$37	\$217	+486%
Family Planning/Reproductive Health	\$332	\$593	+79%
Food Security	—	\$3,353	—
Global Climate Change	\$75	\$579	+672%
Higher Education	—	\$188	—
HIV/AIDS	\$5,121	\$5,609	+9.5%
Malaria	\$386	\$585	+52%
Maternal and Child Health	\$704	\$954	+36%
Microenterprise and Microfinance	\$105	\$168	+60%
Other Public Health Threats	\$63	\$128	+103%
Polio	\$21	\$32	+52%
Trade Capacity Building	\$237	\$316	+33%
Trafficking in Persons	\$31	\$32	+3%
Trans-Sahara Counter-Terrorism	\$61	\$80	+31%
Tuberculosis	\$97	\$191	+97%
Water	\$116	\$176	+52%

Source: U.S. Department of State Foreign Operations Congressional Budget Justification, FY2010, and CRS calculations.

Appendix A. Structure of State-Foreign Operations Appropriations



Source: CRS.

Appendix B. Abbreviations

Funding Accounts:

ACI	Andean Counterdrug Initiative
AEECA	Assistance for Europe, Eurasia, and Central Asia
CSH	Child Survival and Health
DA	Development Assistance
DF	Democracy Fund
ERMA	Emergency Refugee and Migration Assistance
ESF	Economic Support Fund
FMF	Foreign Military Financing
GHAJ	Global HIV/AIDS Initiative
IDFA	International Disaster and Famine Assistance
IMET	International Military Education and Training
INCLE	International Narcotics Control and Law Enforcement
MCC	Millennium Challenge Corporation
MRA	Migration and Refugee Assistance
NADR	Non-proliferation, Anti-Terrorism, Demining, and Related Programs
PEPFAR	President's Emergency Plan For AIDS Relief
PKO	Peacekeeping Operations
PL 480	Food aid
PMI	President's Malaria Initiative
TI	Transition Initiatives

Other:

DFA	Director of Foreign Assistance
AFR	Africa
EAP	East Asia and Pacific
EUR	Europe and Eurasia
LAC	Latin America and Caribbean
NE	Near East
SCA	South and Central Asia
USAID	U.S. Agency for International Development

Appendix C. State Department and Related Agencies Appropriations

(in thousands of current U.S. \$)

	FY2008 Total ^a	FY2009 Base ^b	FY2009 Bridge ^c	FY2009 Stim. ^d	FY2009 Supp. ^e	FY2009 Total	FY2010 Req.	FY2010 req. as % of FY2009 Total	FY2010 House	FY2010 Senate
State Department Administration of Foreign Affairs, Subtotal	8,991,159	7,821,069	803,200	344,000	1,943,512	10,911,781	12,069,539	+11%	11,014,949	
Diplomatic & Consular Program	6,818,386	5,360,318	704,900	90,000	997,890	7,153,108	8,960,016	+25%	8,229,000	
Capital Investment Fund	59,575	71,000	0	252,000	0	323,000	160,000	-50%	160,000	
Embassy security/construction/maintenance	1,502,274	1,706,569	41,300	0	921,500	2,669,369	1,815,050	-32%	1,724,150	
Civilian Stabilization Initiative	—	45,000	0	0	0	45,000 ^f	323,272	+618%	125,000	
Office of Inspector General	52,233	37,000	57,000	2,000	24,122	120,122	100,000	-17%	100,000	
Ed & cultural exchange programs	501,347	538,000	0	0	0	538,000	633,243	+18%	600,000	
Representation allowances	8,109	8,175	0	0	0	8,175	8,175	0%	8,175	
Protection of foreign missions & officials	22,814	22,814	0	0	0	22,814	27,159	+19%	28,500	
Emergency-diplomatic & consular services	8,927	9,000	0	0	0	9,000	10,000	+11%	10,000	
Buying Power and Maintenance	—	5,000	0	0	0	5,000	10,000	+100%	7,500	
Repatriation Loans	1,275	1,353	0	0	0	1,353	1,450	+7%	1,450	
Payment American Institute Taiwan	16,219	16,840	0	0	0	16,840	21,174	+26%	21,174	
Foreign Service Retirement Fund (mandatory)	[158,900]	[157,100]	0	0	0	[157,100]	[158,900]	+1%	[158,900]	

State, Foreign Operations, and Related Programs: FY2010 Budget and Appropriations

	FY2008 Total^a	FY2009 Base^b	FY2009 Bridge^c	FY2009 Stim.^d	FY2009 Supp.^e	FY2009 Total	FY2010 Req.	FY2010 req. as % of FY2009 Total	FY2010 House	FY2010 Senate
International Organizations, Subtotal	3,473,654	3,046,400	225,500	0	721,000	3,992,900	4,057,000	+2%	3,822,000	
Contributions to international organizations	1,409,429	1,529,400	75,000	0	0	1,604,400	1,797,000	+12%	1,697,000	
Contributions to international peacekeeping	2,064,225	1,517,000	150,500	0	721,000	2,388,500	2,260,000	-5%	2,125,000	
Related Appropriations, Subtotal	61,250	184,750	0	0	0	184,750	178,930	-3%	169,970	
Center for Middle East-West Dialogue-Trust & Program	868	875	0	0	0	875	875	0%	875	
Asia Foundation	15,374	16,000	0	0	0	16,000	16,230	+1%	19,000	
National Endowment for Democracy ^g	[99,190]	115,000	0	0	0	115,000	100,000	-13%	100,000	
East-West Center	19,342	21,000	0	0	0	21,000	11,730	-44%	0	
Eisenhower Exchange Programs	496	500	0	0	0	500	500	0%	500	
Israeli Arab Scholarship Program	372	375				375	375	0%	375	
US Institute of Peace	24,798	31,000	0	0	0	31,000	49,220	+59%	49,220	
International Broadcasting, Subtotal	684,004	709,483	6,000	0	0	715,483	745,450	+4%	746,450	
Broadcasting Operations	673,343	698,187	6,000	0	0	704,187	732,187	+4%	733,788	
Capital Improvements	10,661	11,296	0	0	0	11,296	13,263	+17%	12,662	
International Commissions^h	203,776	130,289	0	220,000	0	350,289	145,479	-58%	150,479	
State/Broadcasting/Related Agencies, TOTAL	13,413,843	11,891,991	1,034,700	564,000	2,664,512	16,155,203	17,196,398	6%	15,903,848	

Source: U.S. Department of State budget documents; House and Senate Appropriations Committees; and CRS calculations.

- a. FY2008 totals include regular and supplemental appropriations.
- b. P.L. 111-8.

- c. P.L. 110-252.
- d. P.L. 111-5.
- e. P.L. 111-32.
- f. An additional \$30 million was appropriated for the Civilian Stabilization Initiative in FY2009 under USAID. The Administration's FY2010 request locates all CSI funding within the State Department.
- g. The National Endowment for Democracy was funded under the Democracy Fund in the Foreign Operations portion of the bill in FY2008.
- h. Includes the International Boundary and Water Commission; American Section, International Commissions; International Fisheries Commission; Commission for the Preservation of America's Heritage Abroad; Commission on International Religious Freedom; Commission on Security and Cooperation in Europe; Congressional-Executive Commission on the People's Republic of China; and the United States-China Economic and Security Review Commission.

Appendix D. Foreign Operations Appropriations

(thousands of current U.S. \$)

	FY2008 Total ^a	FY2009 Base ^b	FY2009 Bridge ^c	FY2009 Stim. ^d	FY2009 Supp. ^e	FY2009 Total	FY2010 Req.	FY2010 req. compared to FY2009 Total	FY2010 House	FY2010 Senate
Export Aid, Subtotal	-103,518	-116,700	0	0	0	-116,700	-100,910	+14%	-98,790	
Export-Import Bank (net) ^f	992	2,500	0	0	0	2,500	380	-85%	2,500	
Overseas Private Investment Corporation (net) ^g	-164,500	-170,000	0	0	0	-170,000	-156,490	+8%	-156,490	
Trade & Development Agency	69,990	50,800	0	0	0	50,800	55,200	+9%	55,200	
USAID Admin., Subtotal	930,136	916,359	94,000	38,000	209,600	1,257,959	1,698,300	+35%	1,678,300	
USAID Operating Expenses	801,157	808,584	93,000	0	157,600	1,059,184	1,438,800	+36%	1,388,800	
Civilian Stabilization Initiative	0	30,000	0	0	0	30,000 ^h	—	—	30,000	
USAID Capital Investment Fund	87,287	35,775	0	38,000	48,500	122,275	213,000	+74%	213,000	
USAID Inspector General	41,692	42,000	1,000	0	3,500	46,500	46,500	0%	46,500	
Bilateral Economic Assistance, Subtotal	19,414,677	17,166,000	2,153,300	0	4,645,101	23,964,401	24,871,347	4%	24,223,583	
Global Health and Child Survival, State + USAID	6,498,025	7,114,000	75,000	0	150,000	7,339,000	7,595,000	+3%	7,684,000	
GHCS (State Dept.)	[4,661,930]	[5,159,000]	0	0	0	[5,159,000]	[5,259,000]	+2%	[5,359,000]	
GHCS (USAID)	[1,836,095]	[1,955,000]	[75,000]	0	0	[2,030,000]	[2,336,000]	+15%	[2,325,000]	
Development Assistance	1,623,622	1,800,000	200,000	0	0	2,000,000	2,733,803	+37%	2,480,000	
International Disaster & Famine Assistance	669,739	350,000	200,000	0	270,000	820,000	880,000	+7%	830,000	
Transition Initiatives	44,636	50,000	0	0	0	50,000	126,000	+152%	100,000	
Development Credit Authority – Admin	8,094	8,000	0	0	0	8,000	8,600	+7%	8,600	
Development Credit Authority Subsidy	[21,000]	[25,000]	0	0	0	[25,000]	[25,000]	0%	[25,000]	
Economic Support Fund	5,229,338	3,018,500	1,124,800	0	2,973,601	7,116,901	6,504,096	-9%	6,370,096	
Assistance for Europe; Eurasia & Central Asia	690,050 ⁱ	650,000	0	0	272,000	922,000	762,253	-17%	722,253	

State, Foreign Operations, and Related Programs: FY2010 Budget and Appropriations

	FY2008 Total ^a	FY2009 Base ^b	FY2009 Bridge ^c	FY2009 Stim. ^d	FY2009 Supp. ^e	FY2009 Total	FY2010 Req.	FY2010 req. compared to FY2009 Total	FY2010 House	FY2010 Senate
(AEECA)										
Fund for Ireland	14,900	15,000	0	0	0	15,000	—	—	18,000	
Democracy Fund	242,920	116,000	0	0	0	116,000	—	—	120,000	
International Narcotics Control & Law Enforcement	946,705	875,000	199,000	0	487,500	1,561,500	1,947,451	+25%	1,630,000	
Andean Counterdrug Program	308,065	315,000	0	0	0	315,000	—	—	—	
Migration & Refugee Assistance	1,338,178	934,500	350,000	0	390,000	1,674,500	1,480,444	-12%	1,480,444	
Emergency Refugee and Migration	75,636	40,000	0	0	0	40,000	75,000	+88%	75,000	
Nonproliferation, Anti-Terrorism, Demining	496,755	525,000	4,500	0	102,000	631,500	765,430	+21%	717,430	
Independent Agencies, Subtotal	1,925,774	1,270,000	0	0	0	1,270,000	1,851,200	+46%	1,902,760	
Inter-American Foundation	20,830	22,500	0	0	0	22,500	22,760	+1%	22,760	
African Development Foundation	29,757	32,500	0	0	0	32,500	30,000	-8%	30,000	
Peace Corps	330,799	340,000	0	0	0	340,000	373,440	+10%	450,000	
Millennium Challenge Corporation	1,486,388	875,000	0	0	0	875,000	1,425,000	+63%	1,400,000	
Department of Treasury, Subtotal	50,290	85,000	0	0	0	85,000	142,070	+67%	85,000	
Treasury Department Technical Assistance	20,235	25,000	0	0	0	25,000	31,440	+26%	25,000	
Debt Restructuring	30,055	60,000	0	0	0	60,000	110,630	+84%	60,000	
Military/Security Assistance, Subtotal	5,065,064	4,976,200	397,500	0	2,181,000	7,554,700	5,681,073	-25%	4,701,783	
International Military Education & Training	85,181	91,000	0	0	2,000	93,000	110,283	+19%	110,283	
Foreign Military Financing	4,718,502	4,635,000	302,500	0	1,294,000	6,231,500	5,274,390	-15%	4,260,000	
Peacekeeping Operations	261,381	250,200	95,000	0	185,000	530,200	296,400	-44%	331,500	
Pakistan Counterinsurgency Fund	—	0	0	0	700,000	700,000	—	—	—	
Multilateral Assistance, Subtotal	1,587,243	1,845,500	0	0	0	1,845,500	2,697,855	+46%	2,431,726	
World Bank: Global Environment Facility	81,101	80,000	0	0	0	80,000	86,500	+8%	86,500	
International Clean Technology Fund	—	0	0	0	0	—	500,000	—	225,000	
Strategic Climate Fund	—	0	0	0	0	—	100,000	—	75,000	

	FY2008 Total ^a	FY2009 Base ^b	FY2009 Bridge ^c	FY2009 Stim. ^d	FY2009 Supp. ^e	FY2009 Total	FY2010 Req.	FY2010 req. compared to FY2009 Total	FY2010 House	FY2010 Senate
World Bank: Int'l. Development Association	942,305	1,115,000	0	0	0	1,115,000	1,320,000	+18%	1,320,000	
IADB: Enterprise for Americas MIF	24,798	25,000	0	0	0	25,000	25,000	0%	25,000	
IADB: Inter-American Investment Corporation	—	0	0	0	0	—	4,670	—	—	
Asian Development Fund	74,544	105,000	0	0	0	105,000	115,250	+10%	115,250	
African Development Bank	2,057	0	0	0	0	—	—		—	
African Development Fund	134,585	150,000	0	0	0	150,000	159,885	+7%	159,885	
European Bank for Reconstruction & Development	10	0	0	0	0	—	—	—	—	
International Fund for Agricultural Development	17,926	18,000	0	0	0	18,000	30,000	+67%	30,000	
International Organizations & Programs	309,954	352,500	0	0	0	352,500	356,550	+1%	395,091	
Foreign Operations, Total	26,893,602	24,787,359	2,644,800	38,000	7,035,701	34,505,860	34,847,665	1%	32,936,602	
State/Broadcasting/Related Agencies, Total	13,413,843	11,891,991	1,034,700	564,000	2,664,512	16,155,203	17,196,398	6%	15,903,848	
State-Foreign Operations, Total	40,307,445	36,679,350	3,679,500	602,000	9,700,213	50,661,063	52,044,063	3%	48,840,450	

Source: U.S. Department of State budget documents; House and Senate Appropriations Committees; and CRS calculations.

- a. FY2008 totals include regular and supplemental appropriations.
- b. P.L. 111-8.
- c. P.L. 110-252.
- d. P.L. 111-5.
- e. P.L. 111-32.
- f. Appropriated funds are for expenses of the Inspector General. Administration expenses and loan program funds are covered by Bank receipts.
- g. These figures represent anticipated OPIC receipts, minus amounts requested for administrative expenses and credit funding.
- h. An additional \$45 million was appropriated for the Civilian Stabilization Initiative in FY2009 through the State Department. The Administration's FY2010 request locates all CSI funding under the State Department.
- i. In FY2008, these funds were under the Eastern Europe & Baltic States (SEED) account (\$293,553), and the Independent State of the Former Soviet Union (FSA) account (\$396,497), which were combined in 2009 to create the AEECA account.

- j. No funding was requested specifically for the Andean Counterdrug Initiative for FY2010, however, the Administration explained that the requested increase for the International Narcotics and Law Enforcement account would be primarily use for counternarcotics activities in the Andean region.

Appendix E. International Affairs (150) Budget Account

(in thousands of current U.S. \$)

Approps. Bill Account	FY2008 Total	FY2009 Base ^a	FY2009 Bridge ^b	FY2009 Stim. ^c	FY2009 Supp. ^d	FY2009 Total	FY2010 Req.	FY2010 req. as % +/- FY2009 est.	FY2010 House	FY2010 Senate
State-Foreign Operations, Total	40,307,445	36,679,350	3,679,500	602,000	9,700,213	50,661,063	52,044,063	3%	48,840,450	
Commerce-Justice-Science										
Foreign Claim Settlement Commission	1,606	1,823	0	0	0	1,823	2,117	16%	2,117	
International Trade Commission	68,400	75,100	0	0	0	75,100	82,700	10%	82,700	
Agriculture										
P.L. 480 Food Aid	2,160,164	1,325,900	395,000	0	700,000	2,420,900	1,889,500	-22%	1,889,500	
State-Foreign Operations (not 150)^e										
International Commissions	(203,776)	(130,289)	0	(220,000)	0	(350,289)	(145,479)	-58%	(150,479)	
Total International Affairs (150)	42,333,839	37,951,884	4,074,500	382,000	10,400,213	52,808,597	53,872,901	2%	50,664,288	

Source: U.S. Department of State budget documents; House and Senate Appropriations Committees; and CRS calculations.

- a. FY2008 totals include regular and supplemental appropriations.
- b. P.L. 111-8.
- c. P.L. 110-252.
- d. P.L. 111-5.

- e. This includes the International Boundary and Water Commission; American Section, International Commissions; International Fisheries Commission; Commission for the Preservation of America's Heritage Abroad; Commission on International Religious Freedom; Commission on Security and Cooperation in Europe; Congressional-Executive Commission on the People's Republic of China; and the United States-China Economic and Security Review Commission. These accounts are funded through State-Foreign Operations appropriations legislation but are not part of Function 150 of the U.S. Budget. Therefore, they are subtracted from the total of State-Foreign Operations, food aid, and commissions within the 150 accounts to calculate the total 150 account figure.

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