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INTERNATIONAL AFFAIRS

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Function 150

Summary and Highlights

INFORMATION RESOURCE CENTER
OFFICE OF WOMAN IN DEVELOPMENT
USAID



Fiscal Year
1998

INTERNATIONAL AFFAIRS - FUNCTION 150
SUMMARY AND HIGHLIGHTS
Fiscal Year 1998 Budget Request

INFORMATION RESOURCE CENTER
OFFICE OF WOMAN IN DEVELOPMENT
USAID

PREFACE

This summary provides a brief description of Function 150 of the U.S. federal budget for fiscal year (FY) 1998. Function 150, the International Affairs category of the federal budget, includes funding for the programs and activities of four cabinet departments, nine independent agencies, three foundations, and various other international organizations.¹

Appropriations for Function 150 derive from four separate Appropriations Subcommittees of the U.S. Congress with jurisdiction over International Affairs programs and accounts. This summary and highlights document correlates to the International Affairs appropriations accounts presented in legislation of the Subcommittees on: Foreign Operations; Commerce, Justice, and State (CJS); Agriculture, Rural Development and Related Agencies; and Labor-Health and Human Services.

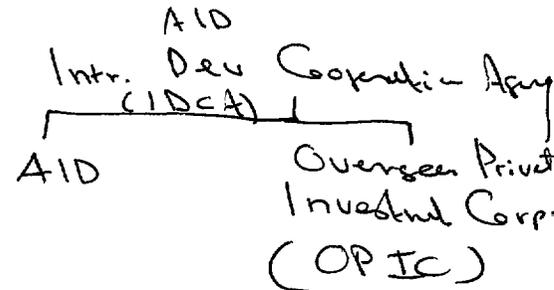
In FY 1995, actual Budget Authority of \$20.167 billion supported International Affairs programs and activities. The FY 1998 budget request of \$19.451 billion is \$716 million below that level. From FY 1995 to FY 1997, America's International Affairs program resources have been reduced in real terms by over 14 percent.

The FY 1998 budget is designed to prevent further erosion in America's diplomatic leadership by providing a four-percent increase over the FY 1997 appropriated level of \$18.280 billion for Function 150. The amount recommended is \$96 million more than actual Budget Authority in FY 1996.

Resources provided through the International Affairs budget are targeted toward programs that support six underpinning objectives of American foreign policy. These key objectives are: promoting U.S. prosperity through trade, investment, and employment; building democracy; fostering sustainable development; securing peace; providing humanitarian assistance; and advancing diplomacy and diplomatic readiness.

The FY 1998 Function 150 budget request of \$19.451 billion supports on-going programs and outlines new initiatives in keeping with these U.S. foreign policy objectives. Modest increases are recommended to support U.S. global leadership by:

- *keeping our promises* to pay outstanding arrears to the UN, international organizations, and Multilateral Development Banks;
- *promoting strategic priorities* through a new "Partnership for Freedom" investment, trade, and anti-crime initiative in the New Independent States of the former Soviet Union, and through continuation of programs necessary to build free-market democracies in Central and Eastern Europe and to reconstruct Bosnia;
- *meeting world food security* by expanding the reach of agricultural development and food aid programs, especially in Africa;
- *maintaining diplomatic readiness* by instituting long-overdue State Department infrastructure, equipment, and training improvements necessary to U.S. national security; and
- *ensuring adequate flexibility to meet crises* through careful distribution of funds to promote democracy, peace, military training, and economic support in important geostrategic regions of the world.



1/ These include
Department of State (State)
Department of Treasury (Treasury)
Department of Defense, Defense Security Assistance Agency (DSAA)
Department of Agriculture (USDA)
Agency for International Development (USAID)
Arms Control and Disarmament Agency (ACDA)
Export-Import Bank (Ex-Im)
International Trade Commission (ITC)
Overseas Private Investment Corporation (OPIC)
Peace Corps
Trade and Development Agency (TDA)
U.S. Information Agency (USIA)
U.S. Institute of Peace
African Development Foundation (ADF)
The Asia Foundation (TAF)
Inter-American Foundation (IAF)

The *Budget of the United States, FY 1998*, issued by the Executive Office of the President, Office of Management and Budget, includes a proposed \$3.521 billion in Budget Authority for U.S. participation in the New Arrangements to Borrow (NAB) of the International Monetary Fund. Adding the NAB results in a total FY 1998 budget request for all International Affairs of \$22.972 billion.

**SUMMARY AND HIGHLIGHTS
FISCAL YEAR 1998 BUDGET REQUEST
SUMMARY OF ACCOUNTS BY APPROPRIATIONS SUBCOMMITTEES**

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U.S. Department of State
February 6, 1997*

FOREIGN OPERATIONS

I. Export and Investment Assistance

<i>(BA in thousands of dollars)</i>	1996 Actual	1997 Estimate	1998 Request
Export-Import Bank:			
Loan Program Account	786,551	726,000	632,000
Administrative Expenses	45,614	46,614	48,614
Subtotal, Program	832,165	772,614	680,614
Negative Loan Subsidy	<u>-59,000</u>	<u>-58,000</u>	<u>-51,000</u>
Total, Ex-Im Bank	773,165	714,614	629,614
Overseas Private Investment Corporation			
Net Budget Authority	-107,000	-131,000	-158,000
Loan Program	72,000	72,000	60,000
Administrative Expenses	26,000	32,000	32,000
Trade and Development Agency	40,000	40,000	43,000

Note: OPIC figures have been revised.

Export-Import Bank (Ex-Im):

- The Administration is requesting \$632 million for Ex-Im Bank's loan subsidy program and \$49 million for the Bank's operations in FY 1998 to assist American exporters in maximizing their export sales, thus stimulating economic growth and job creation in the United States.
- These amounts, which total \$681 million, are based on a careful analysis of the potential demand for Ex-Im's direct loan, guarantee, and insurance authority and the minimum administrative resources necessary to carry out its mission.

Overseas Private Investment Corporation (OPIC):

- The Administration seeks \$92 million in Budget Authority for the Overseas Private Investment Corporation's (OPIC's) credit activities and administrative expenses. Such funding authority will permit OPIC to operate as a self-sustaining government corporation.
- Now doing business in some 140 countries and areas, OPIC's new insurance commitments grew from \$2.8 billion in 1993 to \$16.5 billion in 1996. The Agency's finance commitments grew from \$400 million to \$2.2 billion. In every region, OPIC provided more support than ever to help American companies take advantage of new opportunities worldwide. This growth was achieved with a keen eye on the bottom

line. In 1996, OPIC was profitable once again; the Agency showed a net income exceeding \$209 million.

- OPIC will continue to play a particularly important role in encouraging privatization, market reforms, and defense conversion in the countries of Central and Eastern Europe and the former Soviet Union.

Trade and Development Agency (TDA):

- The Administration is requesting \$43 million in FY 1998 Budget Authority for the Trade and Development Agency (TDA). Additional funds may be transferred from other agencies for work in the New Independent States and elsewhere.
- TDA provides U.S. firms with market entry, exposure, and information, thus helping them win contracts and establish positions in markets that are otherwise difficult to penetrate. Since its creation in 1981, TDA has been associated with \$9 billion in U.S. exports. TDA supports public sector undertakings, planned and implemented by government ministries and agencies, or private sector projects, including joint ventures in which U.S. companies plan to take an equity position.

II. Bilateral Economic Assistance

U.S. Agency for International Development:

<i>(BA in thousands of dollars)</i>	1996 Actual	1997 Estimate	1998 Request
Development Assistance	1,642,315	1,632,462	998,000
Development Fund for Africa	*[675,000]	*[665,064]	700,000
International Disaster Assistance	180,951	190,000	190,000
Urban and Environment Credit Program	11,000	9,500	9,000
Microenterprise and Other Credit Programs	2,000	2,000	2,000
USAID Operating Expenses	468,750	488,288	473,000
Operating Expenses - Inspector General	30,163	30,000	29,047
*Levels of Development Assistance for Africa, not appropriated as a separate account in FY 1996 and FY 1997.			

Development Assistance and Development Fund For Africa:

- The FY 1998 request for Development Assistance is \$998 million and the request for the Development Fund for Africa (DFA) is \$700 million.

- The FY 1998 requests for the Development Assistance and the Development Fund for Africa include \$765 million for stabilizing population growth and protecting human health, \$290 million for protection of the environment, \$508 million for programs that promote economic growth, and \$136 million to support democratic participation.
- The Administration is requesting a separate appropriation for the DFA to underscore its commitment to addressing Africa's complex development challenges. Seventeen of the 25 poorest countries, based on Gross National Product per capita, are in Africa. DFA resources are concentrated in those countries that are committed to sound economic policies and democratic governance.
- **Economic Growth** funds (\$508 million) will strengthen markets through policy and institutional reforms, expand access and opportunities through microenterprise lending, provide agricultural technology for small farmers, and invest in people through improvements in education and training, especially for girls and other disadvantaged groups. The request includes \$30 million for programs to improve food security in Africa through the use of targeted development assistance to encourage policy reform and boost agricultural production, and increased support for agricultural research.
- **Democracy Building** programs (\$136 million) strengthen the rule of law and respect for human rights, create more genuine and competitive political processes, increase the development of politically active civil societies and develop more transparent and accountable government institutions.
- **Environment** funds (\$290 million) will provide resources for biodiversity programs in key countries as well as fund U.S. environmental non-governmental organizations. It will also fund activities to reduce the threat of global climate change by decreasing greenhouse gas emissions in Latin America, Indonesia, and the Philippines and through pollution prevention initiatives in Asia.
- **Population and Health** funds (\$765 million) support family planning programs that prevent unintended pregnancies and obviate the need for abortions by increasing access to family planning information and services, as well as contraceptive research and training. USAID programs to protect human health will reduce deaths from preventable diseases of children under the age of five through improved child survival services and practices, decrease women's deaths associated with childbirth through better access to improved obstetrical services and family planning, and prevent illness and death from sexually transmitted diseases, especially HIV/AIDS.

USAID Credit Programs:

- These programs address credit constraints in the nascent market economies of developing economies.

- The **Microenterprise and Small Enterprise Development Program** is designed to help poor people create employment for themselves, acquire incomes, build assets and join in the strengthening of the formal sector of the economy. The FY 1998 request of \$2 million for this program includes \$1.5 million for the cost of direct loans and loan guarantees and \$500 thousand in administrative costs.
- The **Urban and Environment Credit program** extends guarantees to U.S. private sector investors who make loans to developing countries to address pressing urban and environmental programs. The FY 1998 request of \$9 million includes \$3 million for the cost of loan guarantees and \$6 million for administrative costs.
- In addition, USAID is proposing a new authority to transfer up to \$10 million from development assistance to an **Enhanced Credit Authority (ECA)**. The new ECA will enable USAID to leverage limited resources more effectively through the use of market-rate loans and guarantees.

International Disaster Assistance:

- The FY 1998 request for this program is \$190 million, equal to the FY 1997 level.
- This program supports emergency relief efforts and improves the capacity of foreign nations to prepare and plan for disasters, mitigate their effects, and teach prevention techniques.
- This request includes \$25 million in funding for USAID's Office of Transition Initiatives, which assists societies troubled by civil strife begin the transition from chaos to circumstances conducive to stability and sustainable development.

USAID Operating Expenses:

- The FY 1998 request for USAID operating expenses is \$502 million, of which \$29 million is for the USAID Office of the Inspector General. This is \$16 million less than the FY 1997 appropriated level.
- These funds cover the salaries and operational costs associated with USAID programs worldwide, including those managed by USAID and financed through the Economic Support Fund, the Support for Eastern European Democracy Act, the FREEDOM Support Act, and the Food for Peace Programs under P.L. 480, Titles II and III.
- USAID has undertaken a comprehensive set of management reforms over the past four years. These have included: organizational unit streamlining; workforce reductions of 36 percent between 1993 and 1998; integration of computer-based management information systems into the agency's on-going business practices; and

overseas mission evaluations, resulting in 32 overseas mission closures by the end of FY 1998 and plans for graduation and down-sizing in other locations.

Other Bilateral Assistance:

<i>(BA in thousands of dollars)</i>	1996 Actual	1997 Estimate	1998 Request
Economic Support Fund (including Ireland)	2,359,600	2,326,600	2,498,000
Partnership for Freedom	--	--	528,000
Technical Assistance: New Independent States	641,000	625,000	372,000
Assistance for Eastern Europe & the Baltics	519,000	475,000	492,000
Debt Restructuring	13,000	12,000	22,000
Jordan Debt Forgiveness	0	15,000	12,000

Economic Support Fund (ESF):

- Traditional funding levels in support of Middle East Peace are maintained, with a slight increase in the Jordan and Lebanon allocations.
- Similarly, traditional levels of economic support for South Pacific treaty, Cyprus, and the International Fund for Ireland are maintained.
- The Turkey program is funded at \$50 million.
- The request includes Democracy support programs for Haiti (\$70 million), Africa (\$25 million), Asia (\$50.25 million), and Latin America (\$31 million).
- A permanent Human Rights Fund, as proposed in the Administration's FY 1998 request at \$8 million, would provide the Secretary of State with a flexible instrument to respond to conflicts, human rights emergencies, and implementation requirements of international agreements.
- A small new democracy program is proposed for South Asia (\$3 million).

New Independent States (NIS):

- The budget request includes \$900 million for the New Independent States.
- This consists of the first \$528 million for the new Partnership for Freedom (PFF) initiative -- one of the President's top Function 150 priorities, designed to forestall the over-the-horizon national security threat grounded in NIS economic distress -- and \$372 million for ongoing technical assistance programs.

- The PFF will center on economic growth, investment, trade and anti-crime programs, as well as environment, energy, and other Gore-Chernomyrdin Commission activities.

Eastern Europe and the Baltics:

- The Support for Eastern European Democracy (SEED) Act is the basis for U.S. assistance to Eastern Europe and the Baltics. SEED is a transitional program designed to aid Central and Eastern European countries through their difficult passage to democracy and market economy. For FY 1998, the SEED request includes the third and final \$200 million installment of the President's \$600 million commitment for Bosnia reconstruction.
- SEED Program activities in FY 1997 are being carried out in Albania, Bosnia-Herzegovina, Bulgaria, Croatia, the Czech Republic, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia, Serbia, Slovenia, and the Former Yugoslav Republic of Macedonia.
- Bosnia is in every way a special case within the SEED Program. Since receiving a small amount of reconstruction assistance in FY 1995, it has quickly become the single largest program of U.S. assistance in Central and Eastern Europe.
- Reconstruction efforts in Bosnia include humanitarian assistance, physical reconstruction, financial revitalization, and democratic and economic reform. This assistance is vital to ensure that war does not return to Bosnia, and that the region's ethnic communities begin to feel a vested interest in the fruits of peace.

Debt Restructuring:

- The request includes \$12 million to forgive the remaining stock of Jordan's PL-480 debt to the US Government.
- For debt restructuring, \$22 million would fund US participation in the multilateral Paris Club mechanism to support economic policy reform efforts in the poorest countries by forgiving a portion of their debt to official creditors. FY 1997/8 candidates include Ivory Coast, Nicaragua, Mozambique, Uganda, and Liberia.

Other Assistance:

<i>(BA in thousands of dollars)</i>	1996 Actual	1997 Estimate	1998 Request
Peace Corps	217,704	220,000	222,000
Inter-American Foundation	19,986	20,000	22,000
African Development Foundation	11,496	11,500	14,000
Migration and Refugee Assistance	670,983	650,000	650,000
Emergency Refugee and Migration Assistance	50,000	50,000	50,000
International Narcotics and Crime	115,000	213,000	230,000
Anti-Terrorism Assistance	16,000	18,000	19,000
Israel Counter-Terrorism Assistance	50,000	50,000	0
Non-Proliferation and Disarmament Fund	20,000	15,000	15,000

Note: Peace Corps is carrying an FY 1997 level of \$221 million, reflecting transfers from NIS prior year appropriations.

Peace Corps:

- The FY 1998 Budget includes an appropriation request of \$222 million for the Peace Corps.
- The Peace Corps will have programs in 80 countries in FY 1998. The Peace Corps will continue its progress in establishing programs in South Africa and Jordan during FY 1998 and will continue implementation of the Agency's Strategic Plan by moving forward in the planned FY 1998 closures in Botswana, Fiji, Tuvalu, Chile, and Costa Rica.

Inter-American Foundation:

The FY 1998 request for the Inter-American Foundation (IAF) is \$22 million. The IAF awards grants to local, self-help organizations in Latin America and the Caribbean. IAF makes half of its grants to mobilize local resources by encouraging the private sector and other local donors to fund development. The other half of IAF's grants budget is devoted to local development projects in areas such as health, education, housing, the environment, and economic opportunity. IAF also produces and disseminates information on project results, lessons learned, and best practices.

African Development Foundation:

The African Development Foundation (ADF) makes grants at the community level to fund self-help programs in Africa. The FY 1998 Budget requests \$14 million for ADF. ADF programs seek to improve the living standards and conditions of the poor by promoting small and micro-enterprise development, strengthening civil societies, and ensuring sound management of natural resources. All funding is channeled through local organizations and African institutions to encourage broad-based, popular participation in economic development.

Refugee Assistance:

- The request is \$650 million for Migration and Refugee Assistance (MRA) and \$50 million to replenish the US Emergency Refugee & Migration Assistance (ERMA) Fund. The request equals FY 1997 appropriated levels for these accounts.
- Some 70 percent of the MRA request is for Overseas Assistance. The amount (\$456 million) is \$12.4 million below the estimated level for FY 1997 because of lower projected care and maintenance requirements in Africa and East Asia.
- The request for Refugee Admissions is \$102.4 million, an increase over the FY 1997 estimate, because of increased transportation requirements and higher processing costs.
- As in past years, the request includes \$80 million to assist resettlement of refugees in Israel.

International Narcotics and Crime:

- The \$230 million request will combat narcotics trafficking through support of source country eradication and alternative development programs.
- The request provides material and logistical support for police and military to block new smuggling routes and methods.
- The request funds implementation of a comprehensive heroin control strategy.
- Additional assets for interregional aviation support will bolster eradication and interdiction programs in South America.
- The request includes funding for the United Nations International Drug Control Program (UNDCP) and other multilateral programs.
- The request includes \$16 million for anti-crime programs which will be used to provide law enforcement training and technical assistance to the New Independent States, Russia, Central Europe, Latin America, Africa, and East Asia. The program, generally, will place significant emphasis on money laundering, alien smuggling, and combating organized and financial crime.
- This request supports the International Law Enforcement Academy in Budapest and creation of additional such institutions.

Anti-Terrorism Assistance:

- Most of the total request of \$19 million is to be used for the program's core training function to improve anti-terror capabilities of foreign government officials.
- This funding level is \$1 million above the FY 1997 appropriated level. It will also support a small increase in equipment grants, and for inflation offsets for airfare, student lodging, and contract interpreters/translators. The FY 1997 "anti-terrorism" monies included \$50 million for Israel to fulfill a Presidential commitment.

Non-Proliferation and Disarmament Fund:

- The Non-Proliferation and Disarmament Fund provides resources to support bilateral and multilateral nonproliferation and disarmament efforts.
- Current/continuing NDF projects include:
 - Elimination of SCUD missiles and their launch systems from Romania and Hungary;
 - Dismantlement of South Africa's Category I missile production infrastructure;
 - Assistance in the procurement of highly enriched uranium stocks from the former Soviet Union;
 - Procurement of a chemical weapons defensive laboratory for the Middle East;
 - Procurement of seismic arrays in support of the Comprehensive Test Ban Treaty;
 - Successful deployment of an automated system in Poland for tracking the export of sensitive materials; and
 - Export licensing and enforcement assistance to Central Europe, the Baltics, and the former Soviet Union.

III. Military Assistance and Voluntary Peacekeeping

<i>(BA in thousands of dollars)</i>	1996 Actual	1997 Estimate	1998 Request
Peacekeeping Operations (PKO)	70,000	65,000	90,000
International Military Education & Training	39,000	43,475	50,000
Foreign Military Financing (FMF) - Grant	3,287,361	3,224,000	3,274,250
Foreign Military Financing (FMF) - Loan	64,600	60,000	66,000

Voluntary Peacekeeping Operations (PKO):

- The Administration is requesting \$90 million to fund voluntary peacekeeping activities. The Administration's request for assessed United Nations peacekeeping is contained in the Contributions for International Peacekeeping Activities (CIPA) request.

- Support for the Sinai Multinational Force and Observers (MFO) will continue in 1998.
- Small regional allocations for Latin America/Caribbean, Africa, and Europe will help ensure our ability to react quickly in support of multilateral peace activities which may prevent limited crises from becoming larger and more dangerous problems for U.S. national security.
- This request funds the Organization for Security and Cooperation in Europe's (OSCE's) Bosnia peacekeeping activities and OSCE preventive diplomacy missions elsewhere in Europe.
- This request would provide funding for the African Crisis Response Force to enable African countries to respond effectively to crises without the assistance from non-African forces.

International Military Education and Training (IMET):

- The Administration is requesting \$50 million for this activity in FY 1998. Higher funding would cover cost increases due to inflation and a shrinking Defense Department training base.
- Increased funding will also allow for intensified training for countries in Central Europe invited to join NATO.
- IMET encourages mutually beneficial relations and increased understanding between the United States and foreign countries in furtherance of the goals of international peace and security.
- It improves the ability of participating foreign countries to utilize their resources, including defense articles and services obtained from the United States, with maximum effectiveness, thereby contributing to greater self-reliance.
- The program increases the awareness of nationals of foreign countries participating in such activities of basic issues involving internationally recognized human rights.

Foreign Military Financing (FMF) Program:

- The request would fund Israel and Egypt programs at traditional levels and provide a small increase for Jordan in connection with the F-16 program.
- The FMF loan program for Turkey and Greece is maintained at the levels necessary for sustainment of U.S.-provided military equipment.

- FMF funding in support of the NATO Partnership for Peace program initiative in FY 1998 would increase by \$10 million from the FY 1997 level.
- The FMF loan program in Central and Eastern European countries is maintained.
- The Administration is requesting \$15 million to continue a small demining support program.
- The request includes funding for an Enhanced International Peacekeeping Initiative to enable selected developing countries to participate more effectively in UN or other peacekeeping operations.

IV. Multilateral Economic Assistance

International Financial Institutions:

<i>(BA in thousands of dollars)</i>	1996 Actual	1997 Estimate	1998 Request
Int'l Bank for Reconstruction/Development	28,190	0	0
International Development Association	700,000	700,000	1,034,503
International Finance Corporation	60,900	6,656	0
Global Environment Facility	35,000	35,000	100,000
Inter-American Develop. Bank (OC)	25,952	25,611	25,611
I-ADB Fund for Special Operations	10,000	10,000	20,576
Enterprise/Americas Investment Fund	53,750	27,500	30,000
Asian Development Bank	13,222	13,222	13,222
Asian Development Fund	100,000	100,000	150,000
African Development Bank	0	0	0
African Development Fund	0	0	50,000
European Bank for Reconstruction/Develop.	70,000	11,916	35,779
North American Development Bank	56,250	56,000	56,500
Middle East Development Bank	0	0	see note
Subtotal, Multilateral Development Banks	1,153,264	985,905	1,516,193
IMF Enhanced Structural Adjustment Facility	0	0	7,000

Multilateral Development Banks:

- The request includes the full \$800 million scheduled payment to the Eleventh replenishment of the International Development Association (IDA) and payment of \$234.5 million overdue to IDA-10.

- The request includes all or part of scheduled payments to various institutions, including the World Bank Group, Inter-American Bank Group, Asian Bank, the North American Bank, and the European Bank for Reconstruction and Development
- Also funded is a partial paydown (\$50 million) of large overdue commitments to the Asian Development Fund and a partial payment of arrears to the Multilateral Investment Fund. The Administration has a three-year timeframe for clearing all MDB arrears.
- The Administration is requesting \$52.5 million in funding for an initial capital subscription to new Middle East Development Bank in the Economic Support Fund request.

International Monetary Fund:

- The Administration is requesting \$7 million for a contribution the IMF Enhanced Structural Adjustment Facility, which supports comprehensive market-oriented reform in low income countries requiring concessional financing for protracted balance of payments imbalances.
- The Administration is requesting \$3.521 billion in budget authority (but with no outlay effect) for the IMF New Arrangements to Borrow (NAB). The request equates to 2.462 billion Special Drawing Rights (SDR). The SDR is the IMF's unit of account. The NAB will comprise lines of credit from an anticipated 25 potential participants amounting to SDR 34 billion which will be available to the IMF in the event of an international financial crisis if ordinary IMF resources need to be supplemented. Any transfer of dollars to the IMF under the NAB will not be scored as an outlay and will not increase the deficit.

International Organizations and Programs (IO&P):

<i>(BA in thousands of dollars)</i>	1996 Actual	1997 Estimate	1998 Request
International Organizations and Programs	285,000	330,950	365,000

- The \$365 million request protects the Administration's highest priorities, including non-proliferation and environmental programs.
- It includes \$294.1 million for programs that promote sustainable development, including funding for the United Nations Children's Fund (UNICEF, \$100 million) and the United Nations Development Program (UNDP, \$100 million), \$66 million for promoting peace programs, including the voluntary safeguard programs of the International Atomic Energy Agency and the U.S. contribution to the Korean Peninsula Energy Development Organization (KEDO); and \$4.9 million for programs

that build democracy and promote human rights, such as the UN Voluntary Fund for the Victims of Torture.

- An increase of \$5 million for KEDO is essential to carry out our obligations under the U.S./North Korea Agreed Framework.
- Funding the United Nations Development Program at \$100 million, an increase of \$23.65 million over the FY 1997 level, will maintain U.S. leadership and influence in the organization and reinforce its leading role as coordinator of United Nations development assistance.
- As the United States seeks to forge support among member nations for UN system reform, adequate IO&P funding for UN programs, particularly UNDP, takes on even greater significance.

COMMERCE-JUSTICE-STATE

I. State Department Programs

<i>(BA in thousands of dollars)</i>	1996 Actual	1997 Estimate	1998 Request
Diplomatic and Consular Programs	1,713,721	1,725,300	1,746,977
Salaries and Expenses	367,898	352,300	363,513
Capital Investment Fund	16,384	24,600	64,600
Security and Maintenance of U.S. Missions	385,760	389,320	373,081

Note: The FY 1998 D&CP request does not include an estimate of \$140 million in Machine Readable Visa fees for the Border Security Program.

Diplomatic and Consular Programs/ Salaries & Expenses/ Capital Investment Fund:

- Over the past five years, State funding levels have been flat. Budget shortfalls have forced State to cut over 2,500 jobs, downgrade positions, close over 30 embassies and consulates, and defer \$1 billion in infrastructure repairs.
- The request of \$2,175,090 is an increase of \$72.8 million -- a 4 percent increase.
- Two goals will determine the success of our diplomacy -- adequate funding for our worldwide operations, and improving our management practices. Several major management reforms are included in the FY 1998 budget: information technology modernization; greater reliance on user fees; a new overseas administrative support system; improved border security; and logistics reform.

- There are costly new requirements for FY 1998, including the ITU telecommunications conference in Minneapolis; facilities badly in need of repair in China; and increase support for environmental diplomacy.

Security and Maintenance of US Missions:

- The FY 1998 appropriation request will support the Department's diplomatic activities by providing safe, secure and functional facilities essential to carry out the President's foreign policy goals.
- Of the funds requested in FY 1998, 62 percent is for facility maintenance, technical support, and repairs and rehabilitation of existing facilities; 32 percent is for payments for leased property; and 6 percent is for administrative support.

II. Other Administration of Foreign Affairs

<i>(BA in thousands of dollars)</i>	1996 Actual	1997 Estimate	1998 Request
Office of the Inspector General	27,330	27,495	28,300
Representation Allowances	4,500	4,490	4,300
Protection of Foreign Missions and Officials	8,579	8,322	7,900
Emergencies in the Diplo. & Consular Serv.	5,896	5,800	5,500
Repatriation Loans Program Account	880	1,256	1,200
Payment to the American Institute in Taiwan	15,145	14,490	14,490

- The \$62.4 million requested for these appropriations are required primarily to carry out the functions of the Inspector General for the State Department, USIA and ACDA and the activities of six State Department Small Programs, of which the Payment to the American Institute in Taiwan, at \$14.5 million, is the single largest.
- Other components: reimburse diplomatic and consular personnel for officially representing the United States abroad and before international organizations; protect international organizations and foreign missions and officials in the United States; meet emergency situations in the conduct of foreign affairs; provide emergency loans to assist destitute Americans abroad with no other source of funds to return to the United States; support U.S. participation in international conferences and new or provisional international organizations.

III. International Organizations

<i>(BA in thousands of dollars)</i>	1996	1997	1998
	Actual	Estimate	Request
Contributions to International Organizations	892,000	882,000	1,023,491
Contributions for Inter'l. Peacekeeping Activ.	359,000	352,400	286,000
International Conferences and Contingencies	2,996	10,000	4,941

Note: This table reflects a \$10 million transfer from Contributions to International Organizations to International Conferences and Contingencies in FY 1997.

Contributions to International Organizations (CIO):

- The United States seeks in FY 1998 to keep the President's commitment to our international obligations and maintain the financial stability of the UN and other international organizations. U.S. leadership in these organizations continues to be hamstrung by delays in paying outstanding debts of over \$1 billion.
- The FY 1998 CIO account request includes \$969 million for current assessments and \$54 million in arrears payments. These requirements are consistent with U.S. policy and statutory restrictions.

Contributions for International Peacekeeping Activities (CIPA):

- The FY 1998 request for CIPA includes \$240 million for FY 1998 operations and \$46 million for a partial clearing of CIPA arrears.
- The FY 1998 request constitutes full funding for US assessed contributions to United Nations operations in the former Yugoslavia, Golan Heights, Lebanon, Angola, Cyprus, Georgia, Liberia, the Western Sahara, Tajikistan, and Iraq/Kuwait. Funding is also requested for potential operations that would respond to instability in Afghanistan and Africa. It also includes funding for the War Crimes Tribunals in the former Yugoslavia and Rwanda.

UN Arrearage Payments:

- The United States has accumulated payable arrears to the UN, its affiliated agencies and other international organizations in the amount of \$1,021 million for regular budget assessments and international peacekeeping in the CIO and CIPA accounts.
- The President's Budget requests a FY 1997 supplemental that would make advance appropriations for FY 1999 to pay \$921 million of the arrears owed. The remaining \$100 million is sought in the FY 1998 requests for the CIO and CIPA accounts.

- The United States will actively and aggressively pursue reforms in 1997, consistent with U.S. interests, aimed at improving the management and efficiency of the UN and other international organizations and reducing the annual amount paid by the United States to major international organizations in their next biennial budget.
- Enactment of the FY 1997 supplemental request would provide the United States with the leverage necessary to pursue these results. Without a firm commitment to meet our past obligations, other countries are strongly resistant to our reform efforts. By approving an advance appropriation for arrears payments in FY 1999, the United States would ensure disbursement of these arrears payments when U.S. goals and objectives for reform of these international organizations are met.
- It is the Administration's intent to work with the Congress to reach consensus on paying these arrears and obtaining reforms.

IV. - United States Information Agency (USIA)

<i>(BA in thousands of dollars)</i>	1996 Actual	1997 Estimate	1998 Request
International Information Programs (S&E)	452,131	441,375	434,097
Technology Fund	5,050	5,050	7,000
Broadcasting Operations (includes Broadcasting to Cuba, Asia (RFA), RFE/FL)	362,969	355,490	366,750
Radio Construction	21,210	30,000	32,710
Educational and Cultural Exchanges	237,046	216,700	197,731
East-West, North/South Centers	13,750	11,495	8,500
National Endowment for Democracy	30,000	30,000	30,000
Eisenhower, Israeli-Arab	672	1,000	1,000

International Information Programs/Technology Fund:

- The FY 1998 request for International Information Programs of \$434 million is essentially the same as the comparable FY 1997 level. Savings from 1997 cuts, new reductions of \$5 million in 1998, and consolidation of funding for educational and cultural exchange programs will offset added costs of doing business. In constant dollars, USIA's appropriations are 33 percent below their 1993 level. Its overall workforce has been reduced by 29 percent.
- Following deep cuts in 1996 and 1997, it is important that some stability be established for FY 1998 so that USIA can digest these cuts and those proposed for 1998, and be able to advance effectively America's interests abroad, an effort that is shifting more than ever to the realms of information, economics, and public affairs.

- An increase of \$2 million in the Technology Fund will enable USIA to continue to make modest improvements in its telecommunications network with overseas posts and to develop innovative uses of technology for agency programs, such as a digital library targeted to the Agency's overseas audiences.

Educational and Cultural Exchanges:

- The request of \$198 million is an increase of \$13 million. This will consolidate and stabilize funding for educational and cultural exchanges following several years of deep budget cuts and cover inflationary cost increases. Added program cuts of \$4 million will be made in 1998 to offset part of the operating cost increases.
- The request will also cover establishment of a new Office of U.S. Government International Exchange and Training Coordination. This office has been tasked by the Administration to increase cooperation and eliminate duplication of effort among over 35 Federal agencies that administer international exchange and training programs.
- USIA expects to receive transfers of \$32 million in FY 1997 and comparable sums in FY 1998 to support specifically tailored programs for the NIS.

International Broadcasting Operations:

- Voice of America (VOA) and Radio Free Europe/Radio Liberty (RFE/RL) have consolidated under the aegis of the International Broadcasting Act of 1994.
- The budgetary effects of this consolidation have been dramatic. The FY 1998 request of \$367 million is almost 25 percent lower than the FY 1994 appropriation of \$487 million, and international broadcasting staff has been reduced by 1,500 positions since 1994.
- The FY 1998 request of \$367 million is an increase of \$11 million. This will cover inflationary increases, annualize Radio Free Asia broadcasts, and provide for additional research.
- The FY 1998 estimate reflects savings associated with the move of the Office of Cuba Broadcasting to Miami, Florida.

Radio Construction:

- Substantial progress has been made in the modernization of the Agency's broadcasting facilities: stations in Botswana, Morocco, Thailand, Sao Tome, and Kuwait have been completed, enhancing program coverage in priority areas.
- The FY 1998 request of \$33 million would continue construction of a new station in Tinian for expanded coverage of critical Asian audiences; continue conversion to digital technology; and cover maintenance and repair of the world-wide broadcasting plant.

Other Programs:

- The effort to phase out governmental funding for the East-West Center will continue.
- Funding for the National Endowment for Democracy and the North/South Center will be continued at their FY 1997 funding levels.

V. - U.S. Arms Control and Disarmament Agency (ACDA)

<i>(BA in thousands of dollars)</i>	1996 Actual	1997 Estimate	1998 Request
U.S. Arms Control and Disarmament Agency	41,300	41,500	46,200

- This request provides \$42.1 million for ongoing ACDA activities and \$4.1 million for new activities related to the Comprehensive Test Ban Treaty (CTBT), the Chemical Weapons Convention (CWC), and Non Proliferation Treaty (NPT).
- President Clinton's arms control agenda includes implementation of the CWC, ratification and implementation of CTBT, negotiation of a fissile materials cut-off agreement, implementation of START II implementation and follow-on negotiations to achieve further reductions, and other activities.
- ACDA's operating budget request is smaller in constant dollars than in FY 1997. ACDA's reduced operating budget and personnel costs put it in step with the Administration's systematic right-sizing initiatives.

VI. - Other Programs

<i>(BA in thousands of dollars)</i>	1996 Actual	1997 Estimate	1998 Request
Commission for the Preservation of America's Heritage Abroad	212	206	206
Foreign Claims Settlement Commission	830	953	1,226
International Trade Commission	39,954	40,850	41,980
Japan-U.S. Friendship Commission	1,247	0	0
Payment to The Asia Foundation	5,000	8,000	8,000

International Trade Commission (ITC):

- The \$41.98 million the Administration is requesting for the International Trade Commission in FY 1998 would support ITC activities related to its mandate of helping determine whether U.S. industries are injured by reason of imports that are sold at less than fair market value in the United States or which benefit from foreign government subsidies. The ITC is an independent Federal agency.

The Asia Foundation:

- At \$8 million, the FY 1998 budget request for The Asia Foundation is the same as the level of the FY 1997 appropriation. This funding would enable the Foundation to continue working in East and South Asia in four major areas: strengthening of democratic institutions; promoting the rule of law and the protection of human rights; developing open markets; and improving U.S./Asia relations and regional cooperation.

AGRICULTURE

<i>(BA in thousands of dollars)</i>	1996 Actual	1997 Estimate	1998 Request
P.L. 480 - Title I	262,912	201,000	10,250
P.L. 480 - Title II	842,800	837,000	837,000
P.L. 480 - Title III	51,538	29,500	30,000

P.L. 480 - Title I:

The Administration has reclassified P.L. 480 Title I as a Function 350 (Agriculture) program for FY 1998. The Cargo Preference account for Title I will remain in the Administration's Function 150 request. The Administration's overall FY 1998 request for P.L.-480 Title I is \$100 million.

P.L. 480 - Title II:

- The request of \$837 million equals the FY 1997 appropriated level. Title II Food for Peace provides both emergency and non-emergency (development) programs. The emphasis on emergency feeding programs is increasing, in large part due to the profusion of complex humanitarian emergencies.
- Development activities are used to improve household nutrition and agricultural productivity. Total recipients of development food aid in FY 1995 numbered over 32 million.

P.L. 480 - Title III:

- Title III Food for Development programs provide food commodities to countries that are actively undertaking policy reforms and applying enhanced agricultural technologies in an effort to improve their food security. Recent recipients have included Haiti, Mozambique, and Ethiopia.

LABOR-HHS

<i>(BA in thousands of dollars)</i>	1996 Actual	1997 Estimate	1998 Request
United States Institute of Peace	11,491	11,160	11,160

- The U.S. Institute of Peace was established by Congress to conduct and support research and scholarship in the fields of international peace and conflict resolution.
- The FY 1998 request level would continue the Institute at its current level.

FY 1998 INTERNATIONAL AFFAIRS (FUNCTION 150) BUDGET
(ACCOUNTS BY APPROPRIATIONS SUBCOMMITTEE)

(Budget Authority - \$ Millions)	FY 1996 Actual	FY 1997 Enacted	FY 1998 Request
TOTAL FUNCTION 150 (DISCRETIONARY)	18,491	18,227	19,451
FOREIGN OPERATIONS	12,442	12,250	13,324
Export-Import Bank	763	715	630
Overseas Private Investment Corporation (net)	(93)	(131)	(158)
Trade and Development Agency	40	40	43
Agency for International Development:	2,335	2,352	2,401
Development Assistance	1,617	1,133	998
Development Fund for Africa	0	0	700
Child Survival	0	500	0
International Disaster Assistance	181	190	190
USAID Operating Expenses (incl. IG)	524	518	502
USAID Credit Programs	13	12	11
Economic Support Fund (incl Fund for Ireland)	2,350	2,363	2,498
Assistance for Eastern Europe and the Baltic States	510	475	492
Assistance for the New Independent States of the former Soviet Union	623	613	900
Partnership for Freedom			[528]
Technical Assistance			[372]
Debt Restructuring (Including Jordan debt forgiveness)	10	27	34
Peace Corps	218	220	222
Inter-American Foundation, African Development Foundation	31	32	36
International Narcotics and Crime	120	213	230
Refugee Assistance	721	700	700
Anti-Terrorism Assistance	16	18	19
Israel Emergency Counterterrorism	50	50	0
Non-Proliferation and Disarmament Fund	20	15	15
International Military Education and Training	39	43	50
Foreign Military Financing (inc. loan subsidies)	3,352	3,291	3,340
Peacekeeping Operations (Voluntary)	71	65	90
Special Defense Acquisition Fund	(173)	(166)	(106)
Multilateral Development Banks (including ESAF)	1,153	986	1,523
International Organizations and Programs (Voluntary)	285	331	365
COMMERCE, JUSTICE, STATE	4,903	4,949	5,239
State Department Operations	2,418	2,492	2,548
Machine-Readable Visa Fee Receipts	[115]	[137]	140
Other Administration of Foreign Affairs	65	72	67
Contributions to International Organizations (Assessed)	892	882	1,023
Contributions for International Peacekeeping Activities (Assessed)	359	352	286
US Information Agency	1,083	1,059	1,078
Arms Control and Disarmament Agency	39	42	46
Other Programs	47	50	51
AGRICULTURE	1,134	1,018	877
PL-480 Title I	263	151	10
PL-480 Title II	821	837	837
PL-480 Title III	50	30	30
LABOR/OTHER	11	11	11
United States Institute of Peace	11	11	11

**FY 1998 INTERNATIONAL AFFAIRS BUDGET REQUEST
FOOTNOTES TO TABLE OF ACCOUNTS BY APPROPRIATIONS SUBCOMMITTEE**

1. FY 1998 funding for the International Fund for Agricultural Development is provided in both the Development Assistance account (\$2.5 million) and the International Organizations and Programs account (\$2.5 million).
2. The FY 1997 Contributions to International Organizations account reflects a transfer of \$10 million to the International Conferences and Contingencies account.
3. FY 1998 funding for the Non-Proliferation, Anti-Terror, and Related Programs account in FY 1997 is requested in Foreign Military Financing, Anti-Terrorism Assistance, Nonproliferation and Disarmament, and International Organizations and Programs accounts.
4. The FY 1997 contribution to the UN Children's Fund (UNICEF) appears in the International Organizations and Programs (IO&P) account.
5. Funding to be transferred out of the New Independent States (NIS) account to other accounts in FY 1998 is included in the NIS total, not in the request of the receiving accounts.
6. The Voluntary Peacekeeping (PKO) account does not reflect uses of the Economic Support Fund for PKO under Section 451 of the Foreign Assistance Act.
7. Machine Readable Visa (MRV) Fee Receipts for FY 1996 and FY 1997 are offsetting collections and do not add to the discretionary totals in this Table. For FY 1998, MRV Fee Receipts are proposed as earmarked governmental receipts and are included in the Function 150 discretionary budget request total of \$19.451 billion.
8. The Multilateral Development Banks/IMF ESAF request does not include a one-time extraordinary request for \$3.521 billion in Budget Authority to fund U.S. participation in the IMF's proposed New Arrangements to Borrow. Any funds appropriated pursuant to this request would not count as outlays or add to the budget deficit. Adding the proposed Budget Authority for the New Arrangements to Borrow would result in a total International Affairs request for FY 1998 of \$22.972 billion. This amount is reflected in the International Affairs portion of the *Budget of the United States Government, FY 1998*, issued by the Executive Office of the President, Office of Management and Budget.
9. The Administration has reclassified P.L. 480 Title I as a Budget Function 350 (Agriculture) program for FY 1998. The request for Cargo Preference (\$10 million) will remain in Function 150. The Administration's overall request is \$100 million.
10. The FY 1996 P.L.-480 Title II level includes \$60 million scored as mandatory budget authority in the President's Budget.

FY 1998 INTERNATIONAL AFFAIRS BUDGET REQUEST

(budget authority in thousands of dollars)

ACCOUNT	FY 1996 Actual	1997 Estimate	FY 1998 Request
TOTAL FUNCTION 150 DISCRETIONARY	18,490,585	18,227,407	19,451,316
FOREIGN OPERATIONS	12,441,736	12,249,894	13,323,702
MULTILATERAL ASSISTANCE	1,448,264	1,343,855	1,915,191
Multilateral Development Banks	1,153,264	985,905	1,516,191
Inter-American Development Bank- Ordinary Capital	25,952	25,611	25,611
Inter-American Development Bank - Fund for Special Operations	10,000	10,000	20,576
International Development Association	700,000	700,000	1,034,503
Asian Development Bank	13,222	13,222	13,222
Asian Development Fund	100,000	100,000	150,000
International Bank for Reconstruction & Development (IBRD)	28,190	0	
IBRD - Global Environment Facility (GEF)	35,000	35,000	100,000
International Finance Corporation	60,900	6,656	
African Development Fund	0	0	50,000
African Development Bank	0	0	
European Bank for Reconstruction & Development	70,000	11,916	35,779
Enterprise for the Americas Multilateral Investment Fund	53,750	27,500	30,000
North American Development Bank	56,250	56,000	56,500
Middle East Development Bank	0	0	0
Debt Restructuring	10,000	27,000	34,000
Poorest Countries	10,000	12,000	34,000
Jordan Debt Restructuring		15,000	
Israel Loan Guarantees	0	0	0
International Organizations and Programs (Includes KEDO, IAEA voluntary, IFAD, UNICEF)	285,000	330,950	365,000
AGENCY FOR INTERNATIONAL DEVELOPMENT	3,467,890	3,440,250	3,793,047
Development Assistance Fund	1,616,755	1,132,500	998,000
Development Fund for Africa			700,000
Child Survival and Disease Programs Fund		500,000	
Urban and Environmental Credit Program - Subsidy	4,000	3,500	3,000
Urban and Environmental Credit Program - Admin	7,000	6,000	6,000
Micro and Small Enterprise Development - Subsidy	500	1,500	1,500

FY 1998 INTERNATIONAL AFFAIRS BUDGET REQUEST

(budget authority in thousands of dollars)

ACCOUNT	FY 1996 Actual	1997 Estimate	FY 1998 Request
Micro and Small Enterprise Development - Admin	1,500	500	500
USAID Operating Expenses	494,310	488,250	473,000
Operating Expenses - Inspector General	30,163	30,000	29,047
International Disaster Assistance	180,951	190,000	190,000
Assistance for the New Independent States	623,089	613,000	900,000
Assistance for Eastern Europe & the Baltics	509,622	475,000	492,000
INTERNATIONAL SECURITY ASSISTANCE	5,831,343	5,775,075	5,992,850
Peacekeeping Operations (PKO)	71,000	65,000	90,000
Economic Support Fund (ESF)	2,330,000	2,343,000	2,497,600
International Fund for Ireland	19,600	19,600	
Non-Proliferation and Disarmament Fund	20,000	15,000	15,000
International Military Education & Training (IMET)	39,000	43,475	50,000
Foreign Military Financing (FMF) - Grant			
Israel	1,800,000	1,800,000	1,800,000
Egypt	1,300,000	1,300,000	1,300,000
Other	169,093	107,750	151,000
Administration	23,250	23,250	23,250
Foreign Military Financing (FMF) - Loan	59,400	60,000	66,000
Asst for Relocation of Facilities in Israel		-2,000	
OTHER PROGRAMS	1,679,779	1,690,214	1,622,614
Trade and Development Agency (TDA)	39,994	40,000	43,000
Peace Corps	217,704	220,000	222,000
Overseas Private Investment Corp. - Program Account	87,230	91,500	79,000
Overseas Private Investment Corp. - Admin.	(26,000)	(32,000)	(32,000)
Overseas Private Investment Corp. - Noncredit Acc't.	-194,230	-222,500	-237,000
Subtotal, Overseas Private Investment Corporation	-107,000	-131,000	-158,000
Inter-American Foundation	19,986	20,000	22,000
African Development Foundation	11,496	11,500	14,000
Migration and Refugee Assistance (MRA)	670,983	650,000	650,000
Emer. Refugee and Migration Assistance (ERMA)	50,000	50,000	50,000
Nonproliferation, Anti-terrorism, Demining and Related Programs [ATA, Israel CT, FMF Demining, NDF, IAEA, KEDO]		[151,000]	
Anti-Terrorism Assistance	15,983	18,000	19,000

FY 1998 INTERNATIONAL AFFAIRS BUDGET REQUEST

(budget authority in thousands of dollars)

ACCOUNT	FY 1996 Actual	1997 Estimate	FY 1998 Request
Israel Counter-Terrorism Assistance	50,000	50,000	
International Narcotics and Crime	120,274	213,000	230,000
Export-Import Bank - Loans Program Account	744,551	726,000	632,000
Export-Import Bank - Administrative Expenses	45,554	46,614	48,614
Export-Import Bank - Direct Loans, Neg. Subsidies	-26,746	-57,900	-51,000
Subtotal, Export-Import Bank	763,359	714,714	629,614
Enhanced Structural Adjustment Facility	0	0	7,000
Loans to the IMF (New Arrangements to Borrow)			[3,521,000]
Rescission			
Special Defense Acquisition Fund	-173,000	-166,000	-106,000

COMMERCE, JUSTICE, STATE	4,903,446	4,948,579	5,239,204
DEPARTMENT OF STATE	3,739,372	3,805,783	4,071,802
Administration of Foreign Affairs	2,480,376	2,553,383	2,749,861
Diplomatic and Consular Programs	1,713,221	1,725,300	1,291,977
Fee Retention			455,000
MRV Fee Receipts	[115,000]	[137,000]	140,000
Salaries and Expenses	367,898	352,300	363,513
Capital Investment Fund	16,384	24,600	64,600
Protection of Foreign Missions and Officials	8,579	8,332	7,900
Emergencies in the Diplomatic and Consular Service	6,000	5,800	5,500
Payment to the American Institute in Taiwan	15,145	14,490	14,490
Buying Power Maintenance			
Office of the Inspector General	27,330	27,495	28,300
Security and Maintenance of US Missions	320,543	389,320	373,081
Acquisition and Maintenance - Spec. Foreign Curr. Acct.			
Representation Allowances	4,500	4,490	4,300
Repatriation Loans Program Account	776	1,256	1,200
International Organizations and Conferences	1,253,996	1,244,400	1,313,941
Contributions for Internat'l. Peacekeeping Activities	359,000	352,400	286,000
International Conferences and Contingencies	2,996	10,000	4,941
Contributions to International Organizations	892,000	882,000	1,023,000

FY 1998 INTERNATIONAL AFFAIRS BUDGET REQUEST

(budget authority in thousands of dollars)

ACCOUNT	FY 1996 Actual	1997 Estimate	FY 1998 Request
Payment to the Asia Foundation	5,000	8,000	8,000
ARMS CONTROL & DISARMAMENT AGENCY	38,638	41,500	46,200
U.S. INFORMATION AGENCY	1,083,193	1,059,410	1,077,788
Salaries and Expenses	451,206	441,375	434,097
Technology Fund	5,050	5,050	7,000
East-West Center	11,750	10,000	7,000
North-South Center	2,000	1,495	1,500
Radio Construction	28,161	35,490	32,710
International Broadcasting Operations	328,843	325,000	366,750
Broadcasting to Cuba *	24,775	25,000	
Educational & Cultural Exchange Programs	200,736	185,000	197,731
National Endowment for Democracy	30,000	30,000	30,000
Eisenhower Exchange Fellowship Prog. Trust Fund	155	600	600
Israeli-Arab Scholarship Program	517	400	400
OTHER PROGRAMS	42,243	41,886	43,414
Commission for the Preservation of America's Heritage Abroad	212	206	206
Foreign Claims Settlement Commission	830	830	1,228
International Trade Commission	39,954	40,850	41,980
Japan -U.S. Friendship Commission	1,247	0	
AGRICULTURE	1,133,912	1,017,774	877,250
PL-480 Title I	262,812	151,274	10,250
PL-480 Title II	821,100	837,000	837,000
PL-480 Title III	50,000	29,500	30,000
LABOR, HHS, EDUCATION	11,491	11,160	11,160
U.S. Institute of Peace	11,491	11,160	11,160

**FY 1998 Economic Support Fund
Budget Request**
(*\$ in millions*)

	FY 1996 Actual	FY 1997 Estimate	FY 1998 Request
Promoting Peace:			
Egypt	815.00	815.00	815.00
Israel	1,200.00	1,200.00	1,200.00
Jordan	7.20	10.00	25.00
Lebanon	2.00	12.00	12.00
ME Multilaterals	3.00	3.25	5.00
ME Regional	7.00	7.00	7.00
West Bank/Gaza	75.00	75.00	75.00
N. Iraq Peacekeeping		1.50	
Middle East Development Bank		1.00	52.50
Subtotal, Middle East Peace	2,109.20	2,124.75	2,191.50
South Pacific Fisheries	14.00	14.00	14.00
Peru/Ecuador Peace			5.00
East Asia Regional Security			0.25
Cyprus	15.00	15.00	15.00
Ireland	19.60	19.60	19.60
Turkey	33.50	22.00	50.00
Subtotal, Other Peace	82.10	70.60	103.85
Total, Promoting Peace	2,191.30	2,195.35	2,295.35
Building Democracy:			
Africa			
Angola		5.00	10.00
Africa Regional	12.00	9.00	15.00
Latin America			
Latin America Regional	28.30	22.70	31.00
Haiti	60.00	72.00	70.00
Admin. of Justice/ICITAP	7.00	7.50	10.00
Europe			
Bosnia: Comm. on Missing Persons		1.30	
East Asia and the Pacific			
Cambodia	29.50	35.00	37.00
Mongolia	4.00	7.00	7.00
Asia Regional	2.50	7.00	6.25
-- Burma	[2.00]	[2.50]	
-- Other	[0.50]	[4.50]	
Near East			
Middle East Democracy		0.75	5.00
South Asia			
South Asia Democracy			3.00
Other			
Human Rights			8.00
Total, Building Democracy	143.30	167.25	202.25
Counternarcotics and Crime **	25.00		
TOTAL, ECONOMIC SUPPORT FUNDS	2,359.60	2,362.60	2,497.60

** Anti-Narcotics/Crime activities funded in INL budget in FY 1997 and FY 1998

**ASSISTANCE FOR THE NEW INDEPENDENT STATES
OF THE FORMER SOVIET UNION (NIS)**

Budget Request by Country³

(Dollars in millions)

	FY 96 Actual	FY 97 Estimate	FY 98 Request
Armenia	85.000	95.000	80.000
Azerbaijan	12.000	16.430	31.500
Belarus	5.000	5.010	4.900
Georgia	22.000	25.770	41.900
Kazakstan	33.000	34.830	52.000
Kyrgyzstan	19.000	18.400	36.500
Moldova	23.000	23.140	32.800
Russia	137.000	95.440	241.500
Tajikistan	4.000	4.410	15.400
Turkmenistan	4.000	4.460	6.000
Ukraine	225.000	225.000	225.500
Uzbekistan	19.000	21.010	32.500
NIS Regional	<u>53.000</u>	<u>56.100</u>	<u>99.500</u>
TOTAL	641.000	625.000	900.000

³ Appropriated/Requested levels, does not reflect transfers and rescissions.

Support for East European Democracy (SEED)

FY 1998 SEED Allocations

(Dollars in millions)

	FY 96 Actual	FY 97 Estimate	FY 98 Request
Albania	21.000	27.000	30.000
Bosnia	249.000	215.000	225.000
Bulgaria	28.200	31.000	25.000
Croatia	15.000	11.000	24.000
Czech Rep.	3.700	0.000	0.000
Estonia	0.000	0.000	0.000
Hungary	17.000	15.000	7.000
Latvia	3.700	2.000	3.000
Lithuania	8.400	7.000	3.000
FYROM	14.200	16.000	16.000
Poland	46.000	40.000	35.000
Romania	26.800	33.000	33.000
Slovakia	16.000	15.000	8.000
Slovenia	1.200	0.000	0.000
Regional	71.100	63.000	83.000 ¹
TOTAL	524.000	475.000	492.000

¹ Includes \$12 million for Serbia/Kosovo.

FY 1998 Voluntary Peacekeeping Operations
Budget Request
(\$ in millions)

	FY 1996 Actual	FY 1997 Estimate	FY 1998 Request
Africa Regional	12.000	2.000	10.000
Africa Crisis Response Force		8.000	15.000
ARA Regional			4.000
Eastern Slavonia/Bosnia Police	9.600		
Europe Regional	3.000		
Haiti	12.066	15.200	15.000
Israel-Lebanon Monitoring Group	0.992	1.200	2.000
Multinational Force and Observers	15.500	15.500	16.000
Northern Iraq Peace Monitor Force		1.500	
Organization of African Unity	3.000	3.000	3.000
Europe Regional/OSCE	5.400	18.600	25.000
Demining	1.287		
Baltic Battalion	1.119		
Sanctions Assistance	6.036		
TOTAL	70.000	65.000	90.000

International Military Education and Training (IMET)
FY 1998 Budget Request
(\$ in millions)

Country	FY 1996 Actual	FY 1997 Estimate	FY 1998 Request
Sub-Saharan Africa			
Angola	0.000	0.125	0.200
Benin	0.281	0.350	0.350
Botswana	0.454	0.450	0.500
Burundi	0.071	0.000	0.000
Cameroon	0.083	0.100	0.125
Cape Verde	0.064	0.100	0.100
Central African Republic	0.110	0.150	0.150
Chad	0.000	0.025	0.050
Comoros	0.064	0.075	0.075
Congo	0.162	0.175	0.175
Cote d'Ivoire	0.151	0.150	0.150
Djibouti	0.150	0.100	0.100
Eritrea	0.261	0.375	0.400
Ethiopia	0.327	0.400	0.450
Ghana	0.257	0.260	0.300
Guinea	0.035	0.150	0.150
Guinea-Bissau	0.088	0.125	0.125
Kenya	0.297	0.300	0.400
Lesotho	0.072	0.075	0.075
Madagascar	0.102	0.100	0.100
Malawi	0.154	0.225	0.225
Mali	0.155	0.150	0.175
Mauritania	0.000	0.000	0.000
Mauritius	0.000	0.025	0.050
Mozambique	0.203	0.175	0.175
Namibia	0.190	0.200	0.200
Niger	0.011	0.000	0.000
Rwanda	0.243	0.300	0.300
Sao Tome & Principe	0.075	0.075	0.075
Senegal	0.637	0.650	0.675
Seychelles	0.031	0.075	0.075
Sierra Leone	0.134	0.115	0.100
South Africa	0.466	0.700	0.800
Swaziland	0.050	0.075	0.075
Tanzania	0.126	0.225	0.225
Togo	0.000	0.025	0.040
Uganda	0.189	0.300	0.350
Zambia	0.099	0.150	0.150
Zimbabwe	0.224	0.275	0.350
Sub-Saharan Africa Totals:	6.016	7.325	8.015

International Military Education and Training (IMET)
FY 1998 Budget Request
(\$ in millions)

Country	FY 1996 Actual	FY 1997 Estimate	FY 1998 Request
East Asia & Pacific			
Cambodia	0.403	0.500	0.600
Indonesia	0.577	0.600	0.800
Malaysia	0.613	0.600	0.600
Mongolia	0.070	0.325	0.325
Papua New Guinea	0.162	0.200	0.200
Philippines	1.210	1.250	1.400
Singapore	0.020	0.000	0.000
Solomon Islands	0.085	0.150	0.150
South Korea	0.009	0.000	0.000
Thailand	1.445	1.500	1.650
Tonga	0.085	0.100	0.100
Vanuatu	0.088	0.100	0.100
Western Samoa	0.079	0.100	0.100
East Asia and Pacific Totals:	4.846	5.425	6.025
Europe and the NIS			
Albania	0.432	0.600	0.600
Austria	0.015	0.000	0.000
Belarus	0.279	0.300	0.300
Bosnia & Herzegovina	0.259	0.500	0.600
Bulgaria	0.708	0.800	0.900
Croatia	0.218	0.350	0.425
Czech Republic	0.795	0.800	1.300
Estonia	0.386	0.500	0.650
Finland	0.014	0.000	0.000
FYRO Macedonia	0.249	0.300	0.400
Georgia	0.302	0.275	0.375
Greece	0.054	0.025	0.025
Hungary	1.034	1.000	1.500
Kazakhstan	0.388	0.400	0.550
Kyrgyzstan	0.231	0.250	0.325
Latvia	0.388	0.500	0.650
Lithuania	0.498	0.500	0.650
Malta	0.030	0.100	0.100
Moldova	0.273	0.250	0.350
Poland	1.021	1.000	1.500
Portugal	0.769	0.800	0.800
Romania	0.758	0.800	0.900
Russia	0.760	0.800	0.850
Slovakia	0.473	0.600	0.600
Slovenia	0.253	0.400	0.600

International Military Education and Training (IMET)
FY 1998 Budget Request
(\$ in millions)

Country	FY 1996 Actual	FY 1997 Estimate	FY 1998 Request
Spain	0.049	0.000	0.000
Turkey	1.095	1.400	1.500
Turkmenistan	0.213	0.250	0.300
Ukraine	1.019	1.000	1.200
Uzbekistan	0.293	0.250	0.350
Europe and the NIS Totals:	13.256	14.750	18.300
 Latin America & Caribbean			
Argentina	0.588	0.600	0.600
Bahamas	0.116	0.100	0.100
Belize	0.217	0.250	0.250
Bolivia	0.547	0.500	0.550
Brazil	0.200	0.225	0.225
Chile	0.301	0.400	0.450
Colombia	0.095	0.600	0.900
Costa Rica	0.196	0.150	0.200
Dominican Republic	0.507	0.500	0.500
Eastern Caribbean	0.507	0.400	0.450
Ecuador	0.547	0.425	0.500
El Salvador	0.535	0.450	0.500
Guatemala	0.000	0.225	0.225
Guyana	0.220	0.175	0.175
Haiti	0.169	0.300	0.300
Honduras	0.500	0.425	0.500
Jamaica	0.469	0.500	0.500
Mexico	0.992	1.000	1.000
Nicaragua	0.000	0.150	0.200
PACAMS	0.500	0.500	0.550
Paraguay	0.155	0.200	0.200
Peru	0.380	0.450	0.450
Suriname	0.085	0.100	0.100
Trinidad & Tobago	0.083	0.100	0.125
Uruguay	0.380	0.275	0.300
Venezuela	0.428	0.350	0.400
Latin America and Caribbean Tot	8.717	9.350	10.250
 Near East			
Algeria	0.075	0.075	0.075
Bahrain	0.108	0.125	0.150
Egypt	1.009	1.000	1.100
Jordan	1.202	1.600	1.700
Lebanon	0.474	0.550	0.600
Morocco	0.830	0.800	0.900

International Military Education and Training (IMET)
FY 1998 Budget Request
(\$ in millions)

Country	FY 1996 Actual	FY 1997 Estimate	FY 1998 Request
Oman	0.119	0.150	0.175
Yemen	0.050	0.050	0.075
Tunisia	0.816	0.800	0.900
Near East Totals:	4.683	5.150	5.675
South Asia			
Bangladesh	0.326	0.300	0.375
India	0.357	0.400	0.475
Maldives	0.080	0.100	0.100
Nepal	0.140	0.200	0.225
Pakistan	0.000	0.000	0.000
Sri Lanka	0.179	0.200	0.225
South Asia Totals:	1.082	1.200	1.400
Non-Regional			
General Costs	0.400	0.275	0.335
Non-Regional Totals:	0.400	0.275	0.335
GRAND TOTALS:	39.000	43.475	50.000

FY 1998 Foreign Military Financing
Budget Request
(\$ in millions)

	FY 1996 Actual	FY 1997 Enacted	FY 1998 Request
NEA			
Egypt	1,300.00	1,300.00	1,300.00
Israel	1,800.00	1,800.00	1,800.00
Jordan	100.00	30.00	45.00
Subtotal, NEA	3,200.00	3,130.00	3,145.00
EUROPE			
Baltic Battalion	0.75		
CE Defense Loans		[242.50]	[402.00]
CE Defense Loans (Subsidy BA)		20.00	20.00
Partnership for Peace	53.10	60.00	70.00
Turkey Loans	[320.00]	[175.00]	[175.00]
Turkey Loans (Subsidy BA)	34.91	36.77	33.15
Greece Loans	[224.00]	[122.50]	[122.50]
Greece Loans (Subsidy BA)	24.44	3.23	12.85
Subtotal, Europe	113.20	120.00	136.00
AMERICAN REPUBLICS			
Caribbean Regional	2.00	2.00	3.00
Subtotal, American Republics	2.00	2.00	3.00
AFRICA			
East Africa Regional	5.03	4.75	5.00
Africa Crisis Response Force		3.00	5.00
Subtotal, Africa	5.03	7.75	10.00
OTHER			
Cambodia	1.00	1.00	1.00
Laos			
Demining	7.21	7.00	15.00
Enhanced International Peacekeeping Initiative			7.00
FMF Admin Costs (DSAA)	23.25	23.25	23.25
Subtotal, Other	31.46	31.25	46.25
TOTAL	3,351.69	3,291.00	3,340.25
[Grants]	3,287.13	3,231.00	3,274.25
[Loans]	544.00	540.00	699.50
[Loans Subsidy BA]	59.35	60.00	66.00

Appropriated in Non-proliferation, Anti-Terror, Demining and Related Programs Acct.

FY 1998 International Organizations and Programs

Budget Request

(\$ in thousands)

	FY 1996 Actual	FY 1997 Estimate	FY 1998 Request
BUILDING DEMOCRACY	2,500	4,900	4,900
UN Vol Fund for Techn'l Coop in Field of Human Rights	0	900	900
UN Vol Fund for Victims of Torture	1,500	1,500	1,500
OAS Fund for Strengthening Democracy	1,000	2,500	2,500
PROMOTING SUSTAINABLE DEVELOPMENT	224,500	267,550	294,100
<i>Broad-Based Economic Growth</i>	<i>156,450</i>	<i>185,950</i>	<i>206,100</i>
UN Development Program (UNDP)	52,000	76,350	100,000
UN Development Fund for Women (UNIFEM)	1,000	1,000	1,000
UN Children's Fund (UNICEF)	100,000	100,000 ^{1/}	100,000
World Food Program	3,000	3,000	2,000
Afghanistan Emergency Trust Fund	250	500	500
International Fund for Agricultural Development (IFAD)	0	5,000 ^{2/}	2,500
UN Fellowship Program	100	0	0
ICAO Aviation Security Fund	100	100	100
<i>Stabilization of World Population Growth</i>	<i>22,750</i>	<i>25,000</i>	<i>30,000</i>
UN Population Fund (UNFPA)	22,750	25,000	30,000
<i>Protection of Global Environment</i>	<i>37,300</i>	<i>50,100</i>	<i>51,500</i>
UN Environment Program (UNEP)	8,000	11,000	11,000
Montreal Protocol Multilateral Fund	22,000	27,500	28,000
Habitat	250	0	0
Int'l Conservation Programs (CITES, IITTO, IUCN, RAMS)	2,050	4,050	3,750
Climate Stabilization Fund (IPCC, UNFCCC)	2,500	3,225	5,000
Int'l Contributions for Scientific, Educ. & Cultural Activiti	1,200	2,325	2,250
World Meteorological Org/Voluntary Cooperation Program	1,300	2,000	1,500
<i>Support for Democratic Participation</i>	<i>8,000</i>	<i>6,500</i>	<i>6,500</i>
OAS Development Assistance Programs	8,000	6,500	6,500
PROMOTING PEACE	58,000	61,000	66,000
<i>Non-Proliferation and Disarmament</i>	<i>58,000</i>	<i>61,000</i>	<i>66,000</i>
Int'l Atomic Energy Agency (IAEA) Voluntary Programs	36,000	36,000 ^{3/}	36,000
Korean Peninsula Energy Development Organization (KED)	22,000	25,000 ^{3/}	30,000
Grand Totals	285,000	333,450 ^{4/}	365,000

1/ Appropriated under Child Survival Programs

2/ Includes \$2.5 million transferred from Development Assistance

3/ Appropriated under Non-Proliferation, Antiterrorism, Deminnig ans Related Programs account

4/ International Organizations and Programs appropriation is \$169,950,000

FY 1998 Contributions to International Organizations (CIO)

Budget Request

(\$ in Thousands)

	FY 1996 Actual	FY97 Estimate	FY 1998 Request
United Nations and Affiliated Organizations			
Food and Agriculture Organization	74,466	67,379	80,810
International Atomic Energy Agency	62,340	63,246	65,499
International Civil Aviation Organization	13,189	12,920	13,945
International Labor Organization	64,463	54,153	69,900
International Maritime Organization	1,180	1,052	1,322
International Telecommunications Union	8,222	6,575	8,530
United Nations	311,282	329,944	320,019
UN Industrial Development Organization	0 ^{2,4}	0	0
Universal Postal Union	1,590	1,269	1,699
World Health Organization	97,319	87,094	106,864
World Intellectual Property Organization	1,284	1,055	1,341
World Meteorological Organization	12,495	10,069	12,707
Subtotal, UN and Affiliated Organizations	647,830	634,756	682,636
Inter-American Organizations:			
Inter-American Indian Institute	0 ⁴	0	122
Inter-American Institute for Cooperation on Agricul.	16,203	15,335	16,755
Organization of American States	52,099	51,332	53,345
Pan American Health Organization	47,747	45,529	49,766
Pan American Institute of Geography and History	452	415	458
Pan American Railway Congress Association	0 ^{2,4}	0	
Subtotal, Inter-American Organizations	116,501	112,611	120,446
Regional Organizations:			
Asia-Pacific Economic Cooperation	510	553	760
Colombo Plan Council for Technical Cooperation	11	9	12
North Atlantic Assembly	819	848	902
North Atlantic Treaty Organization	37,361	44,649	47,395
Organization for Economic Cooperation & Dev.	64,695	54,650	67,919
South Pacific Commission	1,253	1,188	1,337
Subtotal, Regional Organizations	104,649	101,897	118,325
Other International Organizations:			
Bureau of International Expositions	32	26	33
Customs Cooperation Council	3,933	3,148	3,968
Hague Conference on Private International Law	109	97	124
International Agency for Research on Cancer	1,644	1,428	1,752

FY 1998 Contributions to International Organizations (CIO)

Budget Request

(\$ in Thousands)

	FY 1996 Actual	FY97 Estimate	FY 1998 Request
Intl. Bureau of the Permanent Court of Arbitration	22	18	23
Intl. Bureau for the Publ. of Customs Tariffs	113	88	118
International Bureau of Weights and Measures	927	766	1,008
Intl. Center for Study of Pres. & Rest. of Cultural Prop.	755	615	771
International Copper Study Group	57	51	65
International Cotton Advisory Committee	252	203	264
International Grains Council	0	437	482
International Hydrographic Organization	118	106	134
Intl. Institute for the Unification of Private Law	117	105	131
International Lead and Zinc Study Group	51	41	54
International Natural Rubber Organization	0	234	307
International Office of Epizootics	93	78	98
International Organization for Legal Metrology	124	114	149
International Office of the Vine & Wine	57	52	68
International Rubber Study Group	92	77	101
International Seabed Authority			1,250
International Seed Testing Association	10	8	12
International Tribunal of the Law of the Sea			1,489
International Tropical Timber Organization	160	143	178
Intl. Union for Conserv of Nature & Nat Resources	275	232	302
Interparliamentary Union	1,025	740	1,075
Organization for the Prevention of Chemical Weapons	0	11,695	46,270
World Road Association	0 ^{4,6}	0	
World Tourism Organization	0 ^{2,4}	0	
World Trade Organization/GATT	13,054	12,234	15,203
Subtotal, Other International Organizations	23,020	32,736	75,429
OIC Reserve	0	10,000	
Total, Contributions to International Organizations	892,000	892,000	996,836⁵
Arrears Payment			54,000
United Nations Credit			-27,345
Total Appropriation			1,023,491

¹ Funded at FY97 requirements.

² US notification of intent to withdraw.

³ Requirement pending Senate ratification.

⁴ FY96 and FY97 appropriations prohibit funding.

⁵ Includes arrears of \$156.6 million

⁶ Funding transferred to Dept. of Transportation (FHWA).

FY 1998 Contributions to International Peacekeeping Activities
Budget Request
(\$ in millions)

	FY 1996 Allocation	FY 1997 Estimate	FY 1998 Request
UNDOF (Golan Heights)	7.85	8.00	8.00
UNIKOM (Iraq/Kuwait)	3.46	5.70	5.00
MINURSO (Western Sahara)	0.00	0.00	8.40
UNFICYP (Cyprus)	2.81	6.20	6.50
UNOMIG (Georgia)	1.41	4.20	4.60
UNMOT (Tajikistan)	1.91	2.50	2.00
UNIFIL (Lebanon)	16.09	34.00	34.00
War Crimes Tribunals	0.00	9.10	12.50
UNAMIR (Rwanda)	14.17	0.00	0.00
UNAVEM (Angola)	52.43	87.70	25.00
UNTAES (East. Slavonia)	58.69	70.10	0.00
UNSMIH (Haiti) thru 5/97	39.94	2.80	0.00
UNOMIL (Liberia) thru 11/97	5.43	3.20	18.30
UNPREDEP (Macedonia)	11.76	15.20	10.00
UNMIBH (Bosnia - Herzegovina)	28.75	32.70	40.70
UNPROFOR	22.37	0.00	0.00
Guatemala demobilization	0.00	1.00	
African Crises Fund	0.00	20.00	50.00
Afghanistan			15.00
Subtotal, assessments	267.07	302.40	240.00
Subtotal, prior year payments/arrears	91.93	50.00	46.00
Total	359.00	352.40	286.00