

# BUDGET SUMMARY

*Diplomacy is as fundamental to our national security as our defense capability. Our diplomats are the first line of engagement, listening to our partners, learning from them, building respect for one another, and seeking common ground...To accomplish these goals our diplomatic personnel and missions must be expanded at home and abroad to support the increasingly transnational nature of 21<sup>st</sup> century security challenges.*

National Security Strategy  
May 2010

## **Overview**

The complexities and connections of today's world have yielded a singular American moment – a moment when U.S. global leadership is essential. Only America has the reach and resolve necessary to mobilize efforts to solve problems on a global scale and lead the world toward a more peaceful and prosperous future.

Globalization poses challenges – armed conflict, violent extremism, nuclear proliferation, economic recession, climate change, hunger, pandemic disease, global criminal networks, and failed states. At the same time, interconnection offers opportunities – to resolve long-standing conflicts, widen economic opportunity, encourage democratic governments, strengthen the building blocks of societies, and lay the groundwork for a clean energy future.

To meet the challenges and seize the opportunities of this defining moment, the Department of State requests a budget for FY 2012 that will support comprehensive American engagement and implement the vision of U.S. global leadership articulated in the National Security Strategy released in May 2010. The resources requested will strengthen core elements of America's civilian power and provide the women and men of the Department of State with the tools they need to advance America's interests and values worldwide.

The FY 2012 request has two components: funding in the base budget for ongoing responsibilities and enduring programs and, for the first time, funding in a separate Overseas Contingency Operations (OCO) budget for extraordinary and temporary requirements associated with achieving key national security goals in the frontline states of Iraq, Afghanistan, and Pakistan.

The OCO request for the Department of State, like that for the Department of Defense (DOD), improves budget transparency and fiscal discipline by separating within OCO those costs that do not represent permanent base budget requirements and that will be phased out over time. The OCO approach recognizes the exceptional nature of added security costs for diplomatic and development operations in conflict areas, costs which are far above base resources for ongoing responsibilities and enduring programs. Furthermore, the OCO approach more fully integrates funding requests for civilian and military efforts to achieve U.S. goals in the three frontline states, including the transition from military to civilian-led missions.

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While the overall request for Department of State Operations appropriations represents an increase over the FY 2010 level, it reflects hard choices and prioritization of programs in a time of limited resources and economic uncertainty. Increases have been focused strategically on areas of highest priority – the frontline states of Iraq, Afghanistan, and Pakistan and Presidential initiatives – and on the capacity needed to carry out national security mandates.

To get the most out of every dollar, the Department will continue to improve the way it does business. It will focus particularly on reforms recommended in the Quadrennial Diplomacy and Development Review (QDDR) released in December 2010. Following this blueprint for change, the Department will seek innovative solutions and build cross-agency partnerships to achieve measurable results.

In sum, the FY 2012 request provides funding for diplomatic operations, programs, and initiatives that constitute an integrated strategy for renewing America's global leadership and advancing vital U.S. national interests. With these resources, America can, must, and will continue to lead in the 21st century.

### ***FY 2012 Budget Request***

The FY 2012 base budget request for all Department of State Operations appropriations totals \$14.154 billion. This funding will allow the Department to:

#### **Achieve National Security Goals in the Frontline States**

The request provides a total of \$749 million for the Department's critical ongoing operations and enduring programs in Iraq, Afghanistan, and Pakistan. Of the base funding total, \$593 million will support Iraq operations, enabling a robust civilian presence after the departure of military forces in early FY 2012. In addition to the full-year operations of the new consulates and Embassy Branch Offices, the base request for Iraq provides for the transition of DOD's remaining Baghdad facilities to Chief of Mission control. In Afghanistan, base funding of \$111 million will maintain the ongoing civilian uplift, including anticipated transition costs, and will enhance security at the Embassy and recently opened consulates. In Pakistan, base funding of \$45 million will provide for ongoing embassy and consulate operations, increased security, and broader programs for exchange and strategic communication.

#### **Build America's Civilian Power**

The request includes an increase of \$67 million to build core civilian capacity. Given the expanded role the Department is being asked to assume in critical countries and the demands of engaging new centers of influence, investment in civilian power is a cost-effective necessity. The requested funding will continue to build a workforce staffed and prepared to step up alongside their military colleagues. The funding will support 197 new Department positions, including 130 Foreign Service positions and 67 Civil Service positions. This gradual growth allows the Department to focus resources on countries and programs of the highest priority and is coupled with the QDDR's examination of diplomatic reforms. In addition, an increase of \$12 million for Conflict Stabilization Operations will support new civilian responders to address policy and operational solutions for crisis, conflict, and instability in priority countries.

#### **Provide Secure Diplomatic Facilities**

The request provides \$1.802 billion for investments in the Department's domestic and overseas infrastructure to enhance the safety and security of current personnel, as well as to accommodate ongoing staff growth. The request includes \$938 million to extend the multi-year Capital Security Construction program to replace facilities in the most vulnerable locations. To protect the U.S. Government's multi-

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billion-dollar investment in new overseas facilities, the request lays the groundwork for a new Maintenance Cost Sharing program for U.S. agencies with overseas personnel. The request also includes \$863 million to support vital ongoing activities, such as administration of leaseholds and maintenance and renovation of the Department's facilities at locations in the United States.

### **Engage Globally through Public Diplomacy and Exchanges**

The request provides \$1.157 billion to strengthen people-to-people relationships and promote mutual understanding between Americans and the people of other countries. Funding of \$637 million will support exchanges to build foundations of trust and prepare the next generation of leaders to work together on the shared challenges of the 21<sup>st</sup> century. The request funds programs of proven value, such as the Fulbright Scholarship Program and the International Visitor Leadership Program, and supports the President's New Beginnings initiative which focuses on engagement with Muslim communities worldwide. Funding of \$536 million will support public diplomacy efforts to inform and influence foreign opinion to further U.S. foreign policy goals. These efforts include shaping worldwide information campaigns on issues such as climate change, food security, water, and global health. The request continues the strategic realignment of public diplomacy resources to maximize outreach to emerging powers and demographic groups.

### **Confront Challenges through International Partnerships**

The request provides \$3.539 billion to support U.S. participation in international organizations and international peacekeeping. Funding of \$1.619 billion will pay assessed contributions for U.S. membership in the United Nations and over 40 other international organizations. Pursuing foreign policy objectives through international organizations enables the United States to leverage the financial contributions and expertise of other countries and build partnerships to solve problems on a global scale. Additionally, funding of \$1.920 billion will pay U.S. assessed expenses for UN peacekeeping missions around the world. Acting through the UN allows the United States to share the risks and costs of dealing with international crises. UN peacekeeping missions increase U.S. national security by ending conflicts, maintaining or restoring peace, and strengthening regional stability.

### ***Request Details***

The following sections of this volume detail the FY 2012 request for all Department of State Operations appropriations. The sections include specific resource requirements for the programs, activities, and priorities highlighted above.