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# ***LEGISLATION AND POLICY***

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## **President Bush's Budget Request for Fiscal Year 2003**

**By**

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Secretary of State**

[Excerpts Secretary of State presented to the House Appropriations Subcommittee on Commerce, Justice, State and the Judiciary, Washington, D.C., March 6, 2002.

Let me say at the outset, Mr. Chairman, before I go into the specifics of the budget request for the State Department and related agencies, that President Bush has two overriding objectives that our foreign policy must serve before all else. These two objectives are to win the war on terrorism and to protect Americans at home and abroad. This Administration will not be deterred from accomplishing these objectives. I have no doubt that this subcommittee and the Congress feel the same way. As you will see when I address the details of the budget request, a sizeable part is related to accomplishing these two objectives.

As many of you will recall, at my first budget testimony to this committee last April, I told you that what we were requesting for fiscal year 2002 represented a significant increase in the Department's resources for that fiscal year. I told you also that such an increase was a good start, that it was the first fiscal step in our efforts to align both the organization for and the conduct of America's foreign policy with the dictates of the 21st Century. And you heard my testimony and you responded, and we are grateful. Because of your understanding and generosity, we have made significant progress. We will make even more in fiscal year 2003.

The President's discretionary request for the Department of State and related agencies for fiscal year 2003 international affairs is \$8.1 billion. These dollars will allow us to:

- Continue initiatives to recruit, hire, train, and deploy the right work force. The budget request includes \$100 million for the next step in the hiring process we began last year. With these dollars, we will be able to bring on board 399 more foreign affairs professionals and be well on our way to repairing the large gap created in our personnel structure and, thus, the strain put on our people by almost a decade of too few hires, an inability to train properly, and hundreds of unfilled positions. By fiscal year 2004, we hope to have completed our multi-year hiring effort with respect to overseas staffing - to include establishing the training pool I described to you last year that is so important if we are to allow our people to complete the training we feel is needed for them to do their jobs. Next March, I will be back up here briefing you on the results of our domestic staffing review.

- Continue to upgrade and enhance our worldwide security readiness - even more important in light of our success in disrupting and damaging the al-Qaida terrorist network. The budget request includes \$553 million that builds on the funding provided from the emergency response fund for the increased hiring of security agents and for counterterrorism programs.

- Continue to upgrade the security of our overseas facilities. The budget request includes over \$1.3 billion to improve physical security, correct serious deficiencies that still exist, and provide for security-driven construction of new facilities at high-risk posts around the world. Mr.

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Chairman, we are right-sizing, shaping up and bringing smarter management practices to our overseas buildings program, as I told you we would do last year. The first change we made was to put retired General Chuck Williams in charge and give him assistant secretary equivalent rank. Now, his overseas building operations (OBO) has developed the Department of Defense's first long-range plan, which projects our major facility requirements over a five-year period.

- The overseas building operations is using best practices from industry, new embassy templates, and strong leadership to lower costs, increase quality, and decrease construction time.

As I told you last year, one of our goals is to reduce the average cost to build an embassy. I believe we are well on the way to doing that.

General Williams is making all of our facilities, overseas and stateside, more secure. By the end of fiscal year 2002, over two-thirds of our overseas posts should reach minimal security standards, meaning secure doors, windows, and perimeters.

We are also making progress in efforts to provide new facilities that are fully secure, with thirteen major capital projects in design or construction, another eight expected to begin this fiscal year, and nine more in fiscal year 2003.

- Continue our program to provide state-of-the-art information technology to our people everywhere. Because of your support in fiscal year 2002, we are well on the way to doing this. We have an aggressive deployment schedule for our unclassified system, which will provide desktop internet access to over 30,000 users worldwide in fiscal year 2003 using fiscal year 2002 funds. We are deploying our classified connectivity program over the next two years. We have included \$177 million in the Capital Investment Fund for information technology requirements. Combined with \$86 million in estimated Expedited Passport Fees, a total of \$263 million will be available for our information technology and communications systems initiatives. Our goal is to put the internet in the service of diplomacy and we are well on the way to accomplishing it.

- Continue to meet our obligations to international organizations also important as we pursue the war on terrorism to its end. The budget request includes \$891.4 million to fund U.S. assessments to 43 international organizations, active membership of which furthers U.S. economic, political, security, social, and cultural interests.

- Continue to meet our obligations to international peacekeeping activities. The budget request includes \$726 million to pay our projected United Nations (U.N.) peacekeeping assessments all the more important as we seek to avoid increasing even further our U.N. arrearages. And, Mr. Chairman, I ask for your help in getting the cap lifted so that we can eventually eliminate all our arrearages. These peacekeeping activities allow us to leverage our political, military, and financial assets through the authority of the United Nations Security Council and the participation of other countries in providing funds and peacekeepers for conflicts worldwide.

- Continue and also enhance an aggressive effort to eliminate support for terrorists and thus deny them safe haven through our ongoing public diplomacy activities, our educational and cultural exchange programs, and international broadcasting. The budget request includes \$287 million for public diplomacy, including information and cultural programs carried out by overseas missions and supported by public diplomacy personnel in our regional and functional bureaus. These resources help to educate the international public on the war against terrorism and America's commitment to peace and prosperity for all nations. The budget request also includes \$247 million for educational and cultural exchange programs that build mutual understanding and develop friendly relations between America and the peoples of the world. These activities help

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build the trust, confidence, and international cooperation necessary to sustain and advance the full range of our interests. Such activities have gained a new sense of urgency and importance since the brutal attacks of September. We need to teach more about America to the world. We need to show people who we are and what we stand for, and these programs do just that. Moreover, the budget request includes almost \$518 million for international broadcasting, of which \$60 million is for the war on terrorism to continue increased media broadcasts to Afghanistan and the surrounding countries and throughout the Middle East. These international broadcasts help inform local public opinion about the true nature of al-Qaida and the purposes of the war on terrorism, building support for the coalition's global campaign.

## **Public Diplomacy**

The terrorist attacks of September 11, 2001 underscored the urgency of implementing an effective public diplomacy campaign. Those who abet terror by spreading distortion and hate and inciting others, take full advantage of the global news cycle. We must also use that cycle. Since September 11, 2001 there have been over 2,000 media appearances by Department of State officials. Our continuous presence in Arabic and regional media by officials with language and media skills, has been unprecedented. Our international information web site on terror is now online in seven languages. internet search engines show it is the hottest page on the topic. Our twenty-five page color publication, *The Network of Terrorism*, is now available in thirty languages with many different adaptations, including a full insert in the Arabic edition of *Newsweek*. "Right content, right format, right audience, right now" describes our strategic aim in seeing that U.S. policies are explained and placed in the proper context in the minds of foreign audiences. I also serve, ex officio, as a member of the Broadcasting Board of Governors, the agency that oversees the efforts of Voice of America and Radio Free Europe/Radio Liberty to broadcast our message into South Central Asia and the Middle East. With the support of the Congress, our broadcasting has increased dramatically since September 11, 2001. We have almost doubled the number of broadcast hours to areas that have been the breeding grounds of terrorists. The dollars we have requested for international broadcasting will help sustain these key efforts through the next fiscal year.

We are working closely right now with Office of Management and Budget to examine our overall requirements. We believe that there are valid fiscal year 2002 needs that cannot wait until fiscal year 2003. The Administration will bring the specific details of this supplemental request to the Congress in the near future. We have not quite finished our review at this point, but it should not take much longer.

All of these Department of State and related agencies programs and initiatives are critical to the conduct of America's foreign policy. Some of you know my feelings about the importance to the success of any enterprise of having the right people in the right places. If I had to put one of these priorities at the pinnacle of our efforts, it would be our hiring efforts. We must sustain the strong recruiting program we began last year with your support and the support of the Congress as a whole. Last year, in new hires for the foreign service, we made great strides. We doubled the number of candidates for the foreign service written examination and this year we will give the exam twice instead of just once. Moreover, our new recruits better reflect the diversity of our country with nearly 17 per cent of those who passed last September's written exam being members of minority groups. For example, we tripled the number of African-Americans and doubled the number of Latino-Americans.

We have also improved civil service recruitment by creating new web-based recruiting tools and by vigorously asserting the truth. We are a team at Department of State and that the foreign service and the civil service are each very important team members. Both are vital to our mission. And now both know it.

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Another improvement is that once we identify the best people we bring them on more quickly, a great boon to hiring the best. For foreign service recruits, for instance, we have reduced the time from written exam to entry into service from 27 months to less than a year. We are going to reduce it even further.

We are also working with Office of Budget and Management to create extensive new performance measures to ensure that the people we hire remain the best throughout their careers. All of the above mentioned activities have improved morale at the Department of State. Our people see things happening, things that enhance their quality of life, their security, their ability to do their jobs. Things like our interim childcare center at the National Foreign Affairs Training Center. It opened on September 4, 2001 and can handle a full complement of thirty infants and toddlers. This idea of teamwork, this idea of family and the quality of life that must always nourish it even in the remotest station, is uppermost in our minds at the Department of State. While we concentrate on the nation's foreign affairs we must also focus on taking care of those Americans who conduct it, as well as the many thousands of foreign service nationals who help us across the globe.

These are an extraordinary group of people, Mr. Chairman. For example, our sixty Afghan employees in Kabul worked diligently to maintain and protect our facilities throughout the thirteen years the embassy was closed. They worked at considerable personal risk and often went months without getting paid. They even repaired the chancery roof when it was damaged by a rocket attack. This is the sort of diligence and loyalty that is typical of our outstanding foreign service nationals. Our whole team at the Department of State is vital to mission accomplishment foreign service, civil service, and foreign service nationals. The dollars you helped to provide us last year allowed us to make our team more cohesive and more effective. We want to continue that process.

One message that the tragic events of September 11th and the days that followed have made very clear is that American leadership in international affairs is critical. Out on the front lines of diplomacy, we want a first-class offense for America. As a soldier, I can tell you that quality people with high morale, combined with superb training and adequate resources, are the key to a first-class offense.

So as the Department of State CEO, let me thank you again for what you have done to help us create such a first-class offense and I want to ask you to continue your excellent support so we can finish the job of bringing the Department of State and the conduct of America's foreign policy into the 21st century. I ask for your important support in full committee and in the House as a whole, both for the \$8.1 billion we are requesting for the Department of State and related agencies and for the \$16.1 billion we are requesting for foreign operations. In addition, I ask for your help with whatever supplemental request we present in the near future. With your help, and the help of the whole Congress, we will continue the progress we have already begun.