

Testimony Of

The Honorable Colleen Hanabusa, U.S. House of Representatives

**Before the House Appropriations Subcommittee on State, Foreign Operations,
and Related Programs**

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Madame Chair, I appreciate this opportunity to testify in support of funding for the East-West Center in the Fiscal Year 2012 budget for the Department of State. The Center, which was established by an act of Congress 50 years ago, is a national institution headquartered in my Honolulu district and employs 190 of my constituents. It needs an appropriation commensurate with previous levels approved by Congress – at least \$21 million -- in order to sustain its core functions, which I believe are vitally important to our national interests. I will come back to the funding level in a moment, but let me first outline the value of the Center.

The public diplomacy mission of the Center is to project American interests and values in Asia and the Pacific through what Congress called “cooperative study, training, and research,” that is, Americans working with their counterparts in the region on issues of common concern. These issues include security, trade, governance, human rights, environment, energy security, health, and demography. The participants are carefully selected opinion leaders whose views influence others, particularly youth. They include young political leaders, policymakers, journalists, scholars, and teachers who serve as bridges to the younger generation.

The participants are not just “visitors,” because Americans are part of the Center’s groups. This feature provides a level of interaction completely different from other exchange programs. I understand that one of the freshmen members of the House Appropriations

Committee, Kevin Yoder, was a participant in such a program, and I think he can give a good account of the effectiveness of the Center.

In addition, the Center's activities in the United States help prepare Americans to deal with a complex region that will become ever more important to our future. Its focus is not on the Asian studies programs at the big universities, but at high schools, junior colleges, community colleges, historically minority colleges, and small colleges. Through its teachers' programs, the Center has introduced tens of thousands of young Americans to the Asia-Pacific region. This is especially important since our country is still more centered on the Atlantic than on the nations of the Pacific. I would like to submit a summary report on the Center's alumni and programming in the United States.

One measure of the effectiveness of the Center's public diplomacy is its alumni activity. It has 50 chapters scattered around the U.S. and the region, and it holds alumni meetings every two years, to which 600 to 800 alumni regularly come on their own steam.

Although most of the Center's work focuses on Asia, one aspect that deserves special mention is the Center-sponsored Pacific Island Conference of Leaders (PICL) and the special attention the Center gives the Pacific islands. On March 2, Secretary of State Clinton testified before the Senate Foreign Relations and pointed out that China has a major diplomatic offensive underway in the Pacific Islands; the Chinese government routinely invites Pacific Island leaders to Beijing. Secretary Clinton, in turn, expressed concern about the US response.

The East-West Center uniquely has had a regular and continuing program for Pacific Island leaders -- whose countries carry a significant number of votes in the UN General Assembly. And this is not an expensive program run by the bureaucracy. Rather, the Center has been bringing Pacific island leaders to the United States for 30 years, including two summits

with Presidents George H. W. Bush and George W. Bush. Its Pacific Island leaders meetings are remarkably inexpensive, a fraction of what they would cost if they had been government-sponsored. In addition, they are far less protocol driven, more fluid, and certainly more effective. Reducing the East-West Center budget would undercut one of the most effective U.S. counters to China's campaign in the Pacific Islands.

This brings me to the budget, and I want to make four main points. First, this is a government-sponsored program that for good reason is set up outside the government but with a great deal of governmental involvement. The Secretary of State appoints a third of the members of the governing board of the East-West Center, and an assistant secretary of State sits *ex officio* on the Center's board. This is quite different than the other "related agencies." The Center works closely with governmental authorities, but it can be far more flexible, far less expensive, and can reach groups that government programs have a harder time working with, such as Muslim journalists, minorities, or Taiwanese authorities.

Second, this is a program that brings a significant share of non-appropriated resources to the public good that it provides, unlike the big government bureaucracies. The high point in the governmental budget for the East-West Center was during the administrations of former Presidents Reagan and George H. Bush. Last year's Congressional appropriation was still less than that during the administration of George H. W. Bush.

The Center's gets a big bang for the Federal buck by using the appropriated money to leverage other income. Over the years, the Center has evolved into a true public-private partnership. The effect of any reductions in the appropriated level would be to dramatically undermine the Center's ability to leverage Federal funds to obtain private monies. Most of the appropriated income goes to salaries and infrastructure, while most of the programmatic money

comes from non-appropriated resources. Thus, the Center estimates that if the appropriation is reduced from the levels that Congress has appropriated in recent years to the OMB request – which would amount to a decrease of more than 50 percent in one year – it would have to eliminate 120 positions. This would inflict a staggering blow to the Center’s ability to conduct its public diplomacy activities.

Third, as you know, the President’s budget request for the Center in FY 2012 is \$10.830 million. In previous administrations as well as the current one, it has been widely understood that the President’s budget request for the Center is artificially low in expectation that Congress will plus this figure up to enable it to implement programs and activities that complement and add critical value to State Department’s efforts in Asia. Indeed, for the past five fiscal years, the OMB figure generally has hovered in the \$10 million to \$12 million range, which if left unaltered, would incapacitate the Center. Fortunately, Congress has approved appropriations for the Center ranging from \$19.240 million in FY 2005 to \$21 million in FY 2009 and \$23 million in FY2010. And importantly, neither the State Department nor OMB has objected to the “plus up” – precisely because they expect it.

Finally, I would like to underscore a policy point. Funding for the Center at the \$10.8 million level would have an immediate and potentially disastrous impact on this country’s foreign policy and national security interests in one of the most dynamic regions of the world, the Asia Pacific. I want to reiterate that the East-West Center is not a foreign aid program. It serves as a key instrument of public diplomacy aimed at projecting US values and interests by working directly with our regional counterparts on key issues of mutual concern. At the President’s proposed budget, it simply would not be able to carry out these core functions.

A more than 50 percent cut in the East-West Center's funding would send a powerful negative signal of US disinterest in Asia Pacific just ahead of the summit in Hawaii this November of the heads of government of the Asia Pacific Economic Cooperation forum (APEC) – a group that includes China, Russia, Japan, Australia, and many other of our partners and allies in the region. The East-West Center has long been involved in APEC. It would be unable to provide meaningful help to the State Department in hosting this year's meeting. In addition, draconian cuts to the Center's current budget will mean that it no longer could serve as the organizing US committee for the Pacific Economic Cooperation Council (PECC), an official "second track" to APEC -- an activity it assumed some years ago at the request of the Department of State.

The Center has been a key partner with the State Department and with state and local officials and the business community in providing staff and facilities for the APEC meeting and leading national outreach efforts focused on the trade and foreign policy implications of APEC. In short, without the Center's help, the United States risks falling short as an APEC host in the eyes of the nations of the Asia Pacific.

To conclude, Madame Chair, and particularly in light of tight fiscal resources, I urge the Subcommittee to continue to support the East-West Center at the Congressional level in the past fiscal years -- \$21 million -- so it may continue to provide vital, cost-effective support for U.S. foreign policy and security interests in a critically important, fast-growing region of the world. This is truly an example of public diplomacy that works -- an effective program that gives the taxpayers the best value for their money.