

**Statement of Ambassador John O'Keefe
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For the Legislative Branch Subcommittee
Of the Committee on Appropriations
United States House of Representatives
March 5, 2013**

Mr. Chairman, Ranking Member Wasserman Schultz, distinguished Members of the Subcommittee: I appreciate the opportunity to present testimony on the Open World Leadership Center's budget request for fiscal year 2014. The Center, of which I am the Executive Director, conducts the only foreign-visitor exchange program for both chambers of the Legislative Branch. Congressional participation in our programs and on our governing board has made Open World a uniquely effective instrument for Members and constituents in communities all across America. All of us at Open World are deeply grateful for your support.

Overview

Since its inception in 1999, Open World has focused on responding to the priorities of Congress and producing an exchange program that establishes lasting relationships between the up and coming leaders of Open World countries and engaged Americans committed to sharing American values and practices that lead to stable countries accountable to their citizens. The Center strives to assist Congress in its oversight responsibilities, and aids Congress in inter-parliamentary and legislative activities, while supporting international projects and partnerships of American citizens throughout the United States.

The Open World program was originally designed to bring emerging federal and local Russian political leaders to the United States to meet their American counterparts and gain firsthand knowledge of how American civil society works. Program participants experienced American political life and saw democracy in action, from debates in local city councils to the workings of the U.S. Congress.

Today, the Center operates in thirteen Eurasian countries and, by the end of 2013, will have brought nearly 20,000 rising leaders to engage with Congress, other governmental officials, and their American counterparts in professional exchanges in more than 2,100 American communities in all fifty states. The countries participating in the Open World program are strategically important to the interests of the U.S. government and many are growing economies where opportunities for foreign investment and trade increase yearly. The expanding Open World leadership network, in which young foreign leaders continue their relationships both with each other and with their American counterparts, gives the Open World program impact far beyond the ten-day program in the United States. With the continued support of Congress, Open World host families will once again open their homes to help sustain this highly successful congressional program.

Open World Program:

The Open World program is a resource for Congress, directly connecting Members to rising foreign leaders and to the American constituents who host these Open World delegates. Open World is also an asset for Congress, using its extensive leadership networks in Eurasia and hosting network in the United States to quickly respond to Congressional interests in new countries and new programs for current Open World countries. By creating and supporting lasting partnerships between young political, civic and community leaders from here and abroad, Open World is an investment in America's future security.

With the power of the over 2,100 communities throughout America that have participated over the life of the program, the Center enhances professional relationships and understanding between rising leaders of participating countries and their counterparts in the United States. It is designed to enable emerging young leaders to:

- engage with government, business, volunteer, and community leaders carrying out their daily responsibilities;
- experience how the separation of powers, checks and balances, freedom of the press, and other key elements of America's democratic system make the government more accountable and transparent;
- develop an understanding of the U.S. market-based economy;
- learn how U.S. citizens organize and take initiative to address social and civic needs;
- participate in American family and community activities; and
- establish lasting professional and personal ties with their U.S. hosts and counterparts.

Because Open World provides such high-caliber programs, participants return to their countries with a tangible appreciation of America's democracy and market economy. To that end, Open World has refined and focused on key themes central to democracy-building to improve the quality of the U.S. program. The impact of the 10-day U.S. stay is multiplied by continued post-visit communication between participants and their American hosts, their fellow Open World alumni, and alumni of other U.S. Government-sponsored exchange programs.

Open World Successes

Open World sets strategic goals that reflect the interests of Congress and our American hosts and meets these goals:

- Reaching a new generation of leaders - Beginning in 2012, and in consultation with the Center's Board of Trustees, Open World decided to focus on the younger generation in our post-Soviet countries - a generation that is increasingly linked to the rest of the world through new technologies, and searches for new ideas for economic development and entrepreneurship, and ways to overcome the endemic corruption and poor governance in their countries.

Open World set goals to have 30 per cent of our delegates in 2012 be under age 30 and to place many of these young leaders together in delegations focused on legislative issues, innovation, entrepreneurship, and rule of law. The Center assembled an American advisory committee consisting of under-30 year old professionals with extensive experience in Open World countries to consult on program agendas, alumni engagement, and administer post-program surveys.

For 2012, 29.5 per cent of Open World delegates were under age 30. Thirty-four specialized young professional delegations from Russia and Ukraine were hosted in themes such as city administration, anti-corruption, emergency services, and media by their American counterparts in cities throughout the United States.

These young Eurasian leaders now maintain contact with each other and their American counterparts through social media groups set up by Open World.

This innovative program has elicited enthusiastic responses from both hosts and delegates. A host in Syracuse, NY told us: *I commend Open World for its new approach of bringing younger visitors, making it possible to introduce them to our country while they are beginning their careers and enthusiastic about their work. Hopefully, other young delegates will be as open-minded and interested. Their infectious enthusiasm really sparked an extra enthusiasm from the professional hosts and on the part of their home-stay hosts.*

A young Russian webmaster for a local radio station, who was hosted in Louisville, KY, was inspired by seeing how American law enforcement, social services and volunteers identify and respond to incidents of domestic violence. He believes that the impact of domestic violence is still dramatically unappreciated in Russia, so he produced radio programs on domestic violence issues and initiated a meeting with the regional Children's Rights Ombudsmen. His radio station also began series of the debates among schoolchildren on crucial civic topics. "Resolve problems in debates, not in fights" became the motto of the debates.

The Center responds to Congressional interests and Member requests to begin exchange programs for leaders in countries new for Open World:

- Turkey – During its February 2013 meeting, the Open World Board of Trustees, in its discussion on operating in strategically important regions, noted Turkey's critical role in events in Syria and throughout the Middle East, and approved an expansion program with Turkey. Open World officials are in discussion with the High Council of Turkish Judges, which may fund up to 65 per cent of a rule of law program in a cooperative agreement with Open World and the Federal Judicial Center, which will provide conference space and two days training at their expense. Such arrangements also reflect how Open World creates partnerships and identifies cost shares.

- Mongolia – At the same meeting, the Center’s Board also approved an expansion program with Mongolia based on a request from the Co-Chairs of the House Mongolian Caucus. The first Open World delegation is planned for September, 2013.
- Egypt – Open World will be bring two delegations of judges from the Egyptian Court of Cassation, the court of final appeal in Egypt which handles all non-constitutional cases, this coming April. They will be hosted by U.S. federal judges in Boston and Miami.
- Kosovo – The Center has forwarded to the Board a request from the Co-Chairs of the House Albanian Issues Caucus to initiate Open World hosting for Kosovo National Assembly Members and staff as part of an effort to promote the integration of the western Balkans with the European Union and NATO.

Open World also responds to congressional requests to host specific delegations from current Open World countries:

- In March 2012, Montgomery, AL hosted its second Open World delegation of Kazakhstanis involved in youth legislatures, including the national Youth Parliament. This exchange, like one conducted in 2011, resulted from a 2009 meeting between Rep. Robert Aderholt and a Kazakhstani parliamentarian visiting Washington, DC, through Open World. Participating in the Alabama YMCA Collegiate Legislature sessions was the central focus of the visit.
- At the request of Sen. Lamar Alexander, Open World in 2012 hosted 25 physicians in support of a new health care partnership between Tennessee and Kirov Region, Russia, spearheaded by former Open World trustee Sen. Bill Frist. Half of the Kirov delegates visited research hospitals in Memphis, while the other half visited medical teaching facilities in Knoxville. The delegates have a wide variety of new practices and plans under way as a result of their Open World experiences. Efforts initiated in individual hospitals include allowing parents to visit ill children, improving a patient referral system, and initiating an electronic medical records system. A medical school administrator is now encouraging medical students to volunteer in understaffed hospitals.

Open World links Members of Congress to up and coming Eurasian leaders and their American hosts:

- In 2012, there were 173 meetings between Members of Congress or their staff with Open World delegations. Eighty-three percent of 2012 Open World delegations took part in these meetings, which are often arranged by our constituent hosts.

Recently, an Open World delegation of young Russian legislators met with Representative Fortenberry. A member of the Moscow Regional Legislature said:

For me personally the meeting with Representative Fortenberry was very useful because my second hat is Advisor to the First Deputy Minister of Agriculture of the Russian Federation and Congressman Fortenberry's explanation of U.S. agricultural policy provided me with a wide prospective of the U.S. Agricultural Sector and the American economy on as a whole, so I have some thoughts about how to approach issues that we are currently facing.

Since its inception, Open World has supported and enhanced hundreds of partnerships and long-term projects between constituents and Open World delegates and was instrumental in the establishment of several others:

- Over 90 U.S. states/communities and regions/communities in Open World countries have developed or furthered partnerships and joint activities, including some 20 court-to-court partnerships. Local chapters of Rotary International, Friendship Force, U.S. Ukraine Foundation and other Open World grantees have partnerships in several Open World countries. In 2012, Open World hosted delegations linked to 54 partnerships with American organizations.

Examples of recent partnership activities through Open World are:

- The Cincinnati Kharkiv Sister City Project (CKSCP) has hosted ten Open World delegations since 2003 and built on the Open World programs with their Ukrainian Sister City to independently sponsor several exchanges for high school students. In March 2013, with the support of Open World alumni, CKSCP is hosting five self-funded Ukrainian mayors from rural towns near Kharkiv. They will visit rural Wilmington, Ohio where they will discuss economic development, green technology and possible future business partnerships.
- In Florida, Open World played an instrumental role in forging ongoing court-to-court ties, and broader relationships between the cities of St. Petersburg, Russia, and St. Petersburg, Florida, that resulted in a signed agreement of partnership shortly after the year-long celebration in 2003 of St. Petersburg, Russia's 300th anniversary that coincided with St. Petersburg, Florida's 100th anniversary. This agreement aimed at future cooperation and friendship between the two cities was signed in 2004 by the governor of the Russian city/region and the mayor of St. Petersburg, Florida, and has been followed up by various delegations traveling either to Russia or the United States from these partner cities.
- In 2011, the Arlington (Virginia) Sister City Association held an official signing ceremony with its newest sister city, Ivano-Frankovsk, Ukraine. This partnership was formalized as a result of Open World, through which several delegations from Ivano-Frankovsk were hosted in Arlington, allowing the two cities to further develop strong ties in governance, social programs, and other areas. The partnership was strengthened by the May 2012 visit of a delegation from Arlington during Ivano-Frankovsk's 350th anniversary celebration.

- The Atlanta, Georgia – Tbilisi, Georgia sister-city program was dormant until a delegation of leading lawyers from the country of Georgia traveled to Atlanta on Open World in 2007. This visit resulted in a flood of privately-generated follow-up activity between Atlanta and Tbilisi, including exchanges of university and law school faculty and students, and increased medical exchanges. One Atlanta law firm, whose principal partner is an Open World grantee, has opened offices in Tbilisi. That grantee, the Georgia to Georgia Foundation, has done extensive work with the Atlanta-Tbilisi Sister City Committee to help foster exchange and discourses between the two cities.
- Santa Clara County, California and Moscow, Russia have a sister county partnership that was greatly enhanced by the 2009 visit of an Open World Russian delegation studying best practices in child welfare and foster care services. Continued contact with one of the Open World delegates resulted in the 2012 launch of a mutually beneficial training program to provide Moscow with the tools to transform the Moscow orphanage care system into a foster care system, and to provide Santa Clara social services agencies with cultural competency training to enhance their work with Russian children and families in the community. In May 2012 a working group from Santa Clara traveled to Moscow to develop a training curriculum for Moscow social services professionals and to consult with their Russian counterparts on the training for enhancing cultural competency in Santa Clara County. Another Open World delegation hosted through this partnership focused on accountable governance for local government officials, including an introduction to laws on public contracting, public records, and open meetings for local legislative bodies.

Most importantly, Open World Alumni return home and initiate projects that contribute to democratization efforts in their countries:

- Volunteerism – Open World has consistently throughout the program selected young leaders who are active in their communities. *The Washington Post* recently featured the work being done to organize volunteers by one of our Russian alumni from our pilot program (*In Russia, volunteers step up, 2/2/13*). Despite pending legislation to limit volunteer activity and a population generally suspicious of volunteers, Yevgeny Grekov has started a group called Volunteers on Wheels, which uses Facebook to connect house-bound people with needs to drivers that can help deliver goods or services.
- Citizen's Rights - An Open World alumna from Georgia, who chairs an NGO focused on civic education for minorities, reports that her Open World experience during a 2011 Jacksonville, FL program on the social inclusion of minorities has greatly contributed to her work to provide legal aid to ethnic groups and displaced persons facing employment discrimination and other forms of unequal treatment. During Georgia's October 2012 parliamentary elections, her NGO deployed over 400 election observers to areas with large ethnic-minority populations. Last

- Training Other Young Leaders - Two 2010 Open World alumni from Ukraine, one hosted in Iowa and the other in Utah, joined together to prepare young Ukrainian political leaders and support staff for the 2012 election campaigns by organizing the “Summer Academy of Political Leadership in Crimea” last July. The Academy was supported by the Friedrich Naumann Foundation in Ukraine. During the event, one of the alumni made a presentation on his Open World experience, focusing on how local American communities are organized and the involvement of citizens through public hearings and council meetings.
- E-Government - The head of the nonprofit Alliance of Access to Information and Training Centers of Moldova, was, in his own words, “motivated to initiate a string of projects” by his Open World 2011 IT-focused program hosted by the University of Alabama-Huntsville. Through a small U.S. Embassy grant, he helped make the Telenesti district government more efficient and transparent by installing, and training district employees on using an online document management system. To improve citizens’ Internet access, he helped establish Wi-Fi networks in three Moldovan schools and nine other public locations throughout the country, including one in the separatist region of Transnistria. His current projects include developing blueprints for an e-voting project, using technology to foster greater civic engagement by people with disabilities, and increasing rural access to the Internet.
- Rule of Law - Open World is proud of its role in introducing Georgian jurists and legal professionals to the American jury system. Georgia began implementing jury trials in 2011, and Open World celebrated this achievement by sponsoring, through our privately-funded alumni program, a roundtable at the Georgian Supreme Court in March 2012. The main speakers were three Open World alumni who were central to the implementation of Georgia’s initial jury trials: a lawyer on the defense team for the first such trial, hosted in 2007 in Atlanta, GA; a woman judge hosted in 2010 in Central Islip, NY, who oversaw jury selection and was responsible for media relations; and the assistant to the presiding judge and a coordinator for juries, hosted in Norfolk, VA in 2010. Georgia’s smooth transition to a jury trial system is due in no small part to the practical guidance given by American host judges, both during Open World exchanges and in independently-funded reciprocal visits to Georgia.

Plans for 2013 and 2014 -

In addition to the 2013 Open World plans previously described, the Center will host parliamentary delegations from Ukraine, Georgia, Moldova and Serbia, and parliamentary staff delegations from Georgia and Kyrgyzstan.

The Center signed a Memorandum of Understanding with the Supreme Court of Estonia and the Office of the Prosecutor of Estonia to cost-share the expenses associated with the April, 2013 travel of a delegation of three judges and one prosecutor from Estonia to Las Vegas, NV. They will be hosted by U.S. Senior District Judge Lloyd George on a week-long program focusing on U.S. court activities related to the adversarial system, including jury-trial process, plea-bargaining, alternative dispute resolution, and the role of private law firms.

Open World's second year of hosting specialized young professional delegations will consist of approximately 15 delegations. The Center will continue to promote on-going contact with young American professionals through social media and will conduct special host and delegate surveys to assess program success.

This fall, Open World will bring a delegation from Batumi, Georgia to New Orleans, LA. Batumi and New Orleans became sister cities in May 2012. Since then, Batumi city officials and municipality representatives have been in the process of developing newly established ties and creating partnership opportunities in a number of directions. Open World will help members of both city councils and sister city entities to strengthen existing relationships and create an atmosphere in which economic, cultural and community development can be implemented through long-term partnerships.

For 2014, Open World will continue the initiatives described above, both in terms of responsiveness to Congressional requests and in focusing on the younger generation of leaders in Open World countries. We will strive to find partnerships and other cost-sharing arrangements to maximize our effectiveness.

Budget Overview

Open World offers Congress an extraordinary "bang for the buck," serving as a model of efficiency, cost-effectiveness and value. The Center boasts an overhead rate of 7 per cent with 93 per cent of its annual expenditures going directly to program costs. The Center investigates every opportunity for savings and diligently manages its fiscal operations with a view to reducing costs while maintaining program quality.

In the spring of 2012, the U.S. Government Accountability Office, at the direction of this subcommittee, began a review of Open World's progress on GAO's 2004 recommendations on strengthening the Center's financial management and performance measurement. Among the conclusions cited by GAO in the 2012 report are:

- *Open World has taken a number of steps to address our six recommendations regarding its financial management and internal controls*
- *Open World's financial management controls generally follow leading practices for financial accountability*
- *Open World has taken steps to improve its efforts to measure performance*
- *Open World's efforts to measure performance are generally consistent with several leading practices*

The Center employs generally accepted best practices to develop the most cost-efficient and effective means to accomplish our mission. We have internal controls to ensure program quality, including pre- and post-program report follow-up, weekly teleconferencing with our logistical contractor, and regular contact with grantees and local hosts. We use a zero-based budget approach to every contract, every grant budget, as well as the Center's annual operating budget. The Center actively seeks cost-sharing partnerships with other government initiatives whose missions complement ours. The U.S. Agency for International Development, the U.S. Department of Energy and the U.S. Embassies in Armenia, Turkmenistan, Ukraine, and Uzbekistan have all joined with the Open World Leadership Center in directly funding a number of our delegations.

Open World strongly encourages grantees to cost-share, making it part of our annual competitive proposal process. For example, in 2012, Rotary International hosted 20 Open World delegations (6 participants each) in 19 communities in 15 states through their local Rotary clubs. These local clubs, through volunteers, home stays, and other in-kind contributions contributed an estimated 45 per cent of the total local cost of these delegations. The search for cost-sharing partners with common or overlapping goals creates an environment beneficial for all participants and allows Open World grant funds to go farther. Indeed, the per-person-cost to bring a delegate to the United States has steadily declined over the past few years as Open World increases its cost-sharing efforts, despite rising transportation and other costs.

Open World grantee Supporters of Civil Society in Russia (SCSR), along with partner Moscow School of Political Studies, is another excellent example of a cost-share that helps defray the overall cost of the Open World program. The Moscow School of Political Studies provides the nominations of candidates for the program, many of whom are under the age of 30, to be hosted by SCSR in St. Louis, MO and Chicago, IL. SCSR then contributes over 50 per cent of the program costs at the local level.

Budget Request

In this lean fiscal environment, we are committed to keeping costs down while maintaining program quality. When constructing our budget, however, we must consider the fact that in reducing the number of participants hosted, there comes a tipping point in terms of efficiency. Certain base costs remain whether bringing 500 participants or 2,000. Using economy of scale, it is our experience that bringing 1,200 participants a year is that tipping point. Below that number, the program becomes less cost effective and the per person cost rises. To that end, our budget request of \$10 million is based on bringing 1,200 participants in 2014.

Open World spends its appropriation in two categories: Direct Program Costs and Administration Costs. Direct Program Costs includes: grants to host delegations in the United States; a logistical coordinator; and the direct program portion of salary and benefits of D.C. and Moscow staff.

Administration Costs includes an interagency agreement with the Library of Congress for infrastructure services, small contracts for professional services, postage, telephone, cell phones,

and office supplies and materials. The Center benefits from lower administrative costs due to its physical location in the Library of Congress.

Despite rising base costs of transportation and contracts, we have not requested any increase in funding for FY 2014. There are several reasons for this. First and foremost, cost-shares from our hosts throughout America have risen steadily. We have also found partners willing to assume some international transportation costs, and we expect that private donations will help sustain our work. In all, 25 per cent of our resources will come from outside our legislative branch appropriation. It is this broad support, both materially and in spirit, that makes this program incredibly strong while allowing us to keep this request modest.

The Center's fiscal year 2014 budget request breaks down as follows:

A. Direct Program	—	\$ 9,690,200
1. Logistical Contract		5,720,000
2. Grants/Other Hosting Costs		3,285,000
3. Salary/Benefits		685,200
B. Administration	—	\$ 773,400
1. Salary/Benefits		408,250
2. Services of Other Agencies		182,000
3. Professional Services		146,650
4. Miscellaneous Office		36,500
TOTAL BUDGET:		\$10,463,600¹

Summary

Open World has served the Congress well, earning strong bipartisan and bicameral support. This modest budget request, representing a flat budget, will enable the Open World Leadership Center to continue to make major contributions to an understanding of democracy, civil society, and market economies in regions of vital importance to the Congress and the nation. On behalf of the U.S. Congress, this powerful global network will continue to make a significant and positive mark on long term developments in strategically important countries. This Subcommittee's interest and support have been essential ingredients in Open World's success.

¹ The amount over \$10 million shown here will be covered by donations and other offsets.