

**Meeting our Commitment
to Democracy and Human Rights**
An Analysis of the
U.S. Congressional FY2008 Appropriation



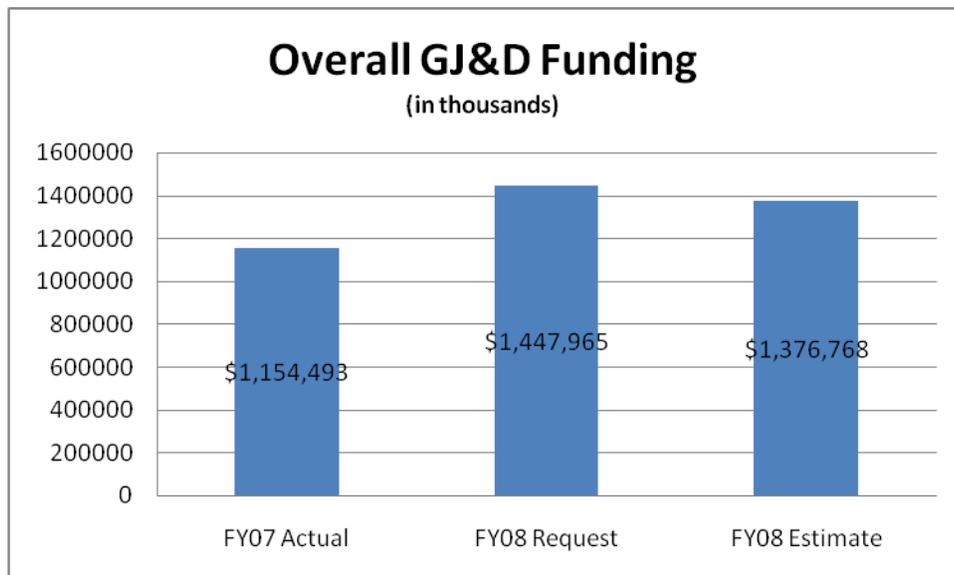
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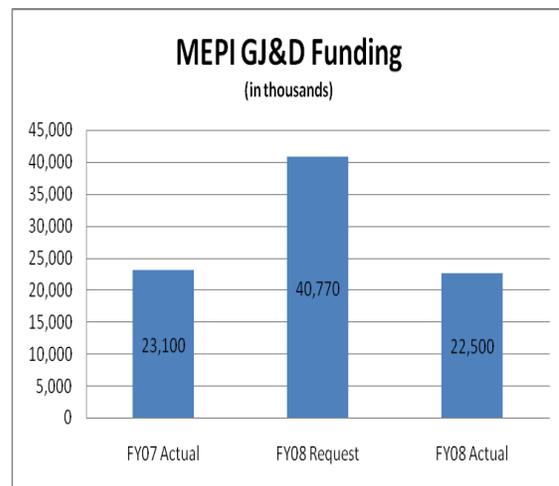
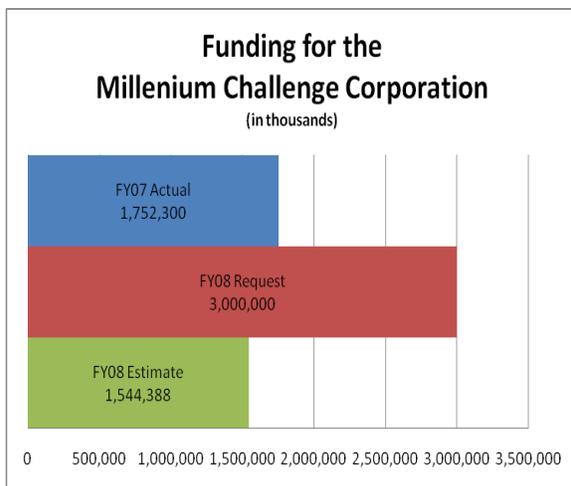
OVERVIEW

The foreign operations appropriation for FY08, passed by Congress in December 2007 as part of omnibus legislation that included 11 additional bills, did not meet the robust global democracy and human rights funding levels requested by the Administration, but did provide a 16 percent increase over the FY07 appropriation. Some positive adjustments were made in the *Governing Justly and Democratically* (GJ&D) category for certain countries, such as Russia and Burma, where the Administration had proposed cuts. The conference report on the final version of the appropriation also recognized the new challenges posed by the international backlash against democracy, and sought to address them. For example, the Congress called upon the Administration to withhold some aid to Kazakhstan and to Egypt until those countries make significant improvements in the protection of human rights and civil liberties. This legislation acknowledged the challenging circumstances in many countries, and with a few exceptions, reflects the bipartisan American commitment to human rights and democracy abroad.



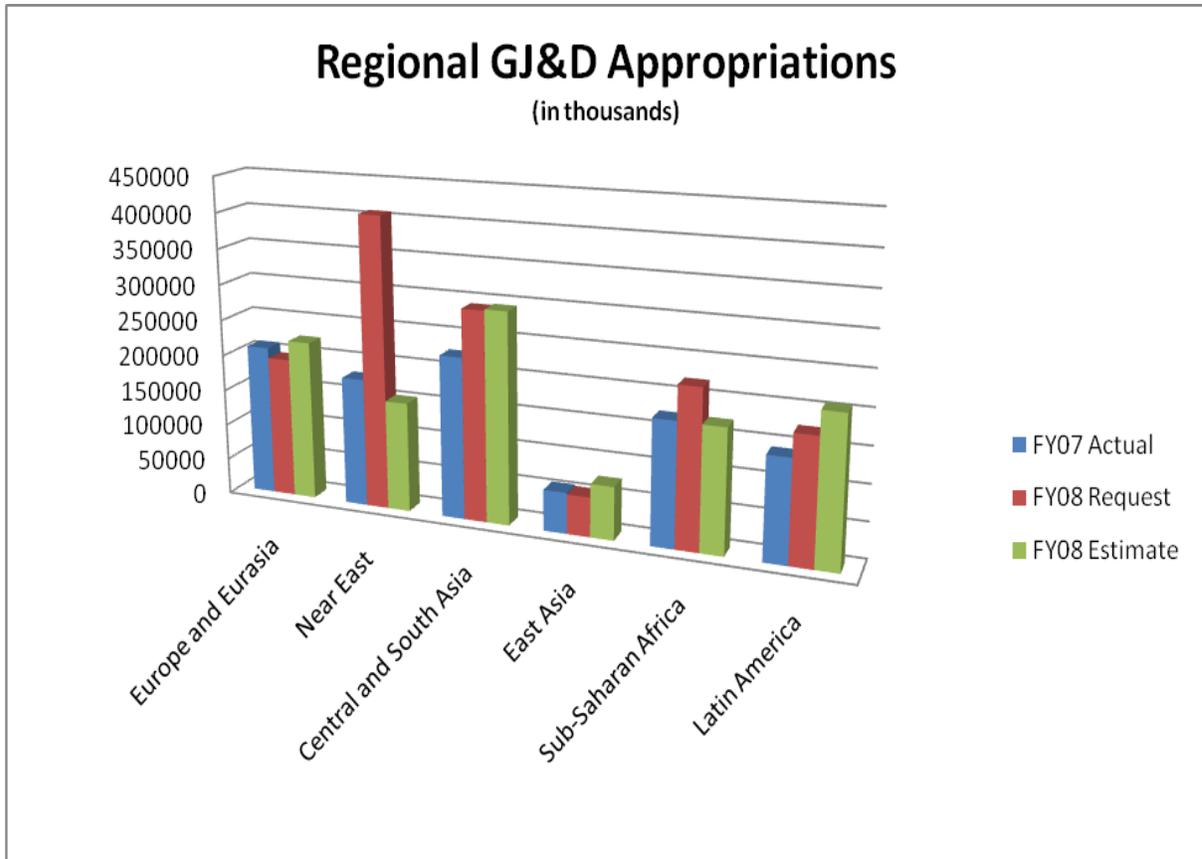
While positive on balance, the Congressional decisions reflected in the FY08 appropriation were disappointing for friends of freedom in a few critical areas. One of the consequences of the many earmarks included in the appropriation law is that the Administration has notably less discretionary funding available to devote to democracy and human rights efforts than it has in previous years, a development that appears to have disproportionately impacted democracy funding in Africa. In 23 of the 29 countries in Africa

where the President requested funding for democracy programming, the Congress did not meet his request. In fact, in 15 of those countries, funding was cut from FY07 actual levels. In addition, we are concerned by the decision of Congress to not meet the Administration's request for the Middle East Partnership Initiative (MEPI). These funds have been a critical source of support for cross-border and regional initiatives that are important complements to bilateral programs. Finally, we believe the decision to reduce the requested funding for the Millennium Challenge Corporation (MCC) by 50% was a mistake. The allocation of these funds based in part on performance on democracy and human rights issues provides an important point of leverage to encourage concrete reforms in the civil and political rights arena.

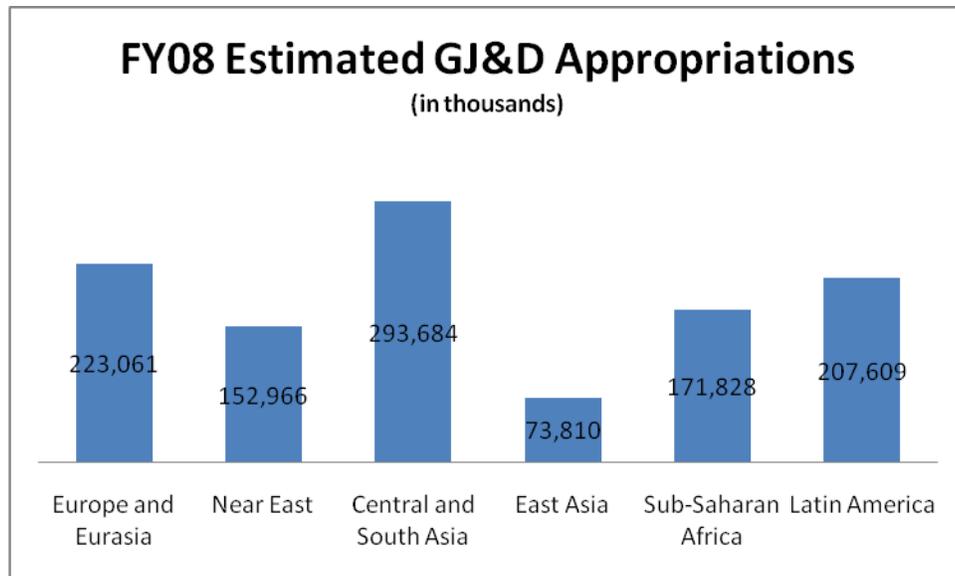


As this report goes to press (in the 10th month of the fiscal year) the Administration has prepared its 653(a) report, which interprets the Congressional appropriation passed in December, and allocates funds accordingly. The Administration and Congress are currently negotiating the final terms of the 653(a) report which will determine the final allocation of funds. Therefore, the appropriations described in this report as FY08 “estimates” are very nearly final, but may change during the final negotiation.¹

¹ The figures featured in this report are represented in thousands of dollars.

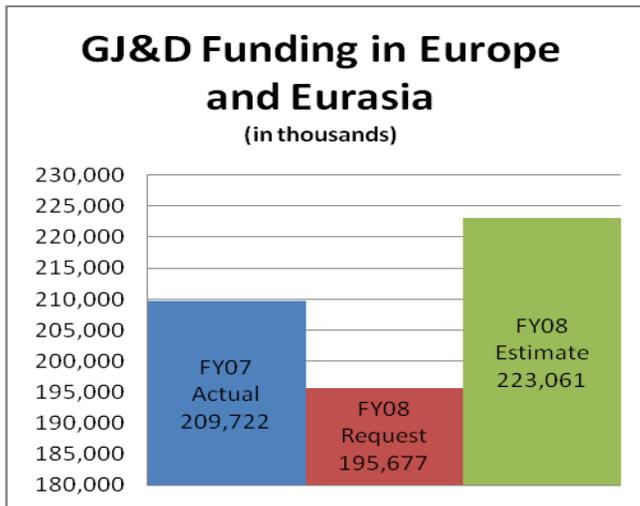


Since its founding as a bipartisan organization more than 65 years ago, Freedom House has vigorously supported a robust U.S. commitment to the promotion of freedom, democracy and human rights, including public support to those struggling to advance democratic change in their own societies. While we appreciate that the American commitment to democracy and human rights cannot be fully measured by reference to funding levels for democracy and human rights assistance, Freedom House does believe that providing adequate resources – in well-designed and effectively implemented programs – must be an important part of any U.S. foreign policy to promote democracy and human rights. We also acknowledge the difficulties in assembling the federal budget and the tough decisions that need to be made among members of the House and Senate to reconcile diverse U.S. national interests.



Freedom in the World 2008 shows that 2007 was marked by a notable setback for global freedom, especially in a substantial number of large and politically important countries like Russia, Pakistan, Kenya, Egypt, Nigeria and Venezuela. The year also saw an intensified backlash against freedom and democracy from increasingly authoritarian governments in Iran, Russia, and China who have sought to consolidate their power by cracking down on opposition political parties, civil society and independent media. Countries like Pakistan and Kenya have seen the political process devolve into terrible violence. The challenges to freedom are considerable and growing. A commensurate political and financial response by the world's democracies, and the U.S. in particular, is required.

EUROPE AND EURASIA



Country	FY07 Actual GJ&D	FY08 Request GJ&D	FY08 Estimate GJ&D
Albania	6,469	5,800	5,801
Armenia	17,915	12,200	21,098
Azerbaijan	12,694	9,700	9,843
Belarus	8,950	9,100	9,162
Bosnia & Herzegovina	19,062	12,050	14,804
Georgia	12,050	14,400	14,516
Kosovo	23,118	43,746	35,149
Macedonia	9,527	6,850	7,996
Moldova	8,314	8,800	7,801
Montenegro	2,422	1,572	3,150
Russia	34,170	26,200	40,649
Serbia	19,476	16,200	18,765
Ukraine	23,161	20,400	21,549
Total ²	209,722	195,677	223,061

Freedom House applauds the Congress for appropriating democracy funding levels above the amount requested by the Administration for all countries in the region with the exception of Kosovo and Moldova. The Congress appears to have recognized that the democratic gains made in the region are tenuous and need to be solidified. Given increasingly troubling political environments in Russia, Serbia, and Georgia as well as a deeply rooted dictatorship in Belarus, democracy funding should remain a priority for the region. The Congress has paid special attention to the situation in Russia where human rights defenders and political activists face regular repression from a popular, but increasingly autocratic government.

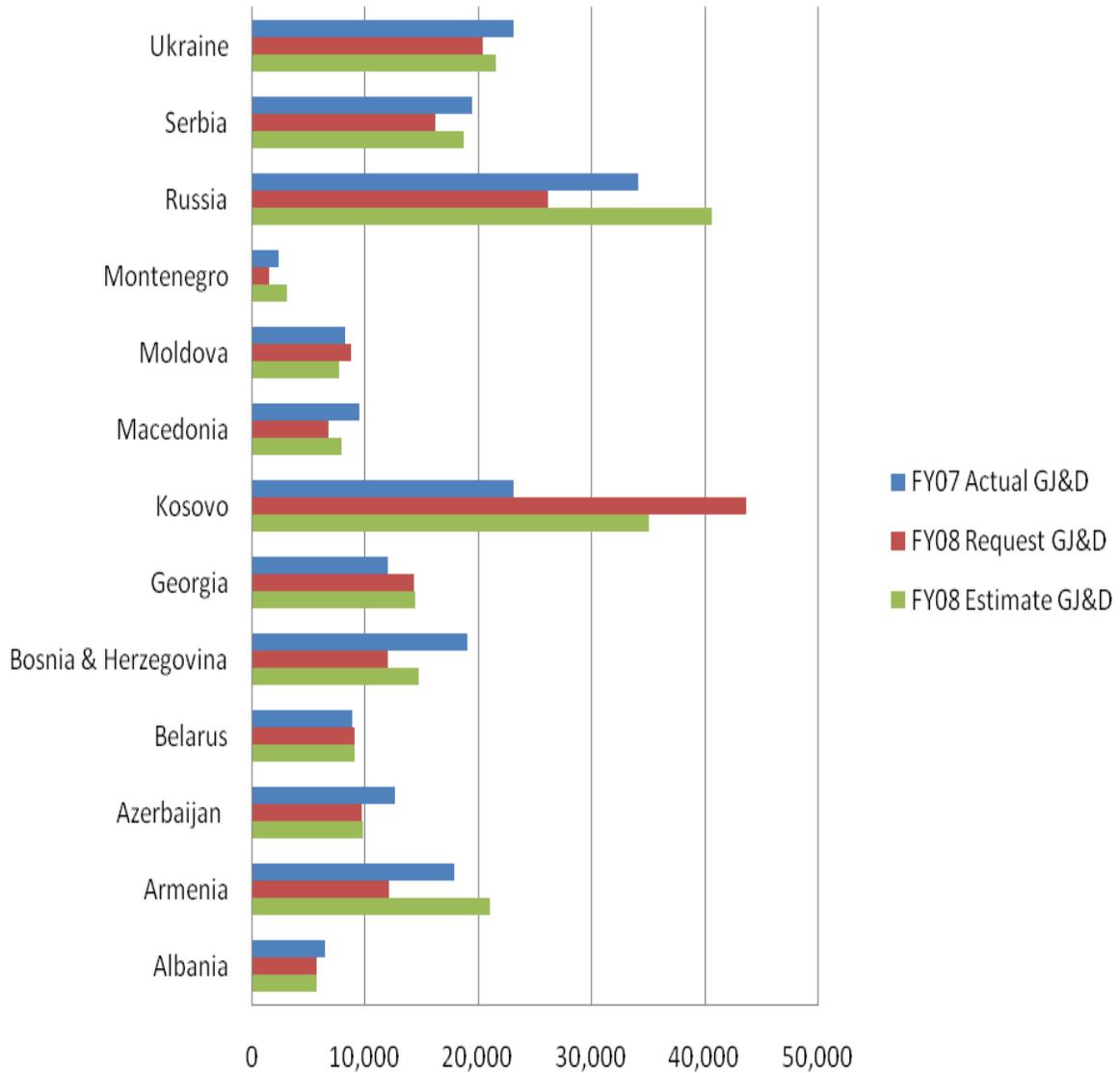
In the final appropriation, the Congress approved the following measures regarding Russia:

- Within the overall appropriation, civil society and humanitarian funding for the North Caucasus increased from \$5 to \$8 million.
- Aid to the Russian government is to be withheld until the president certifies that the Russian central government is not acting to discriminate against minority religious faiths.
- \$500,000 will not be available for obligation until the Secretary of State submits a report outlining a plan to increase the capacity of the U.S. Embassy in Moscow to monitor human rights and Russian laws related to the regulating of press and civil society groups.

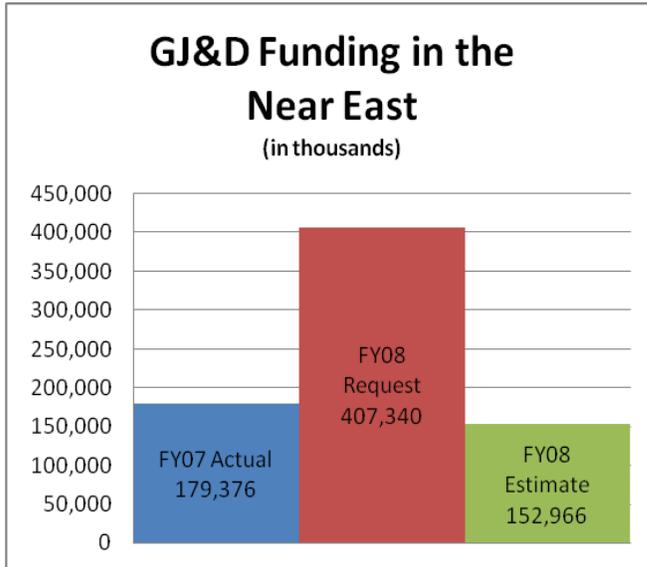
² Total includes region-wide funding programs which do not appear in the chart.

Europe and Eurasia Funding by Country

(in thousands)



NEAR EAST



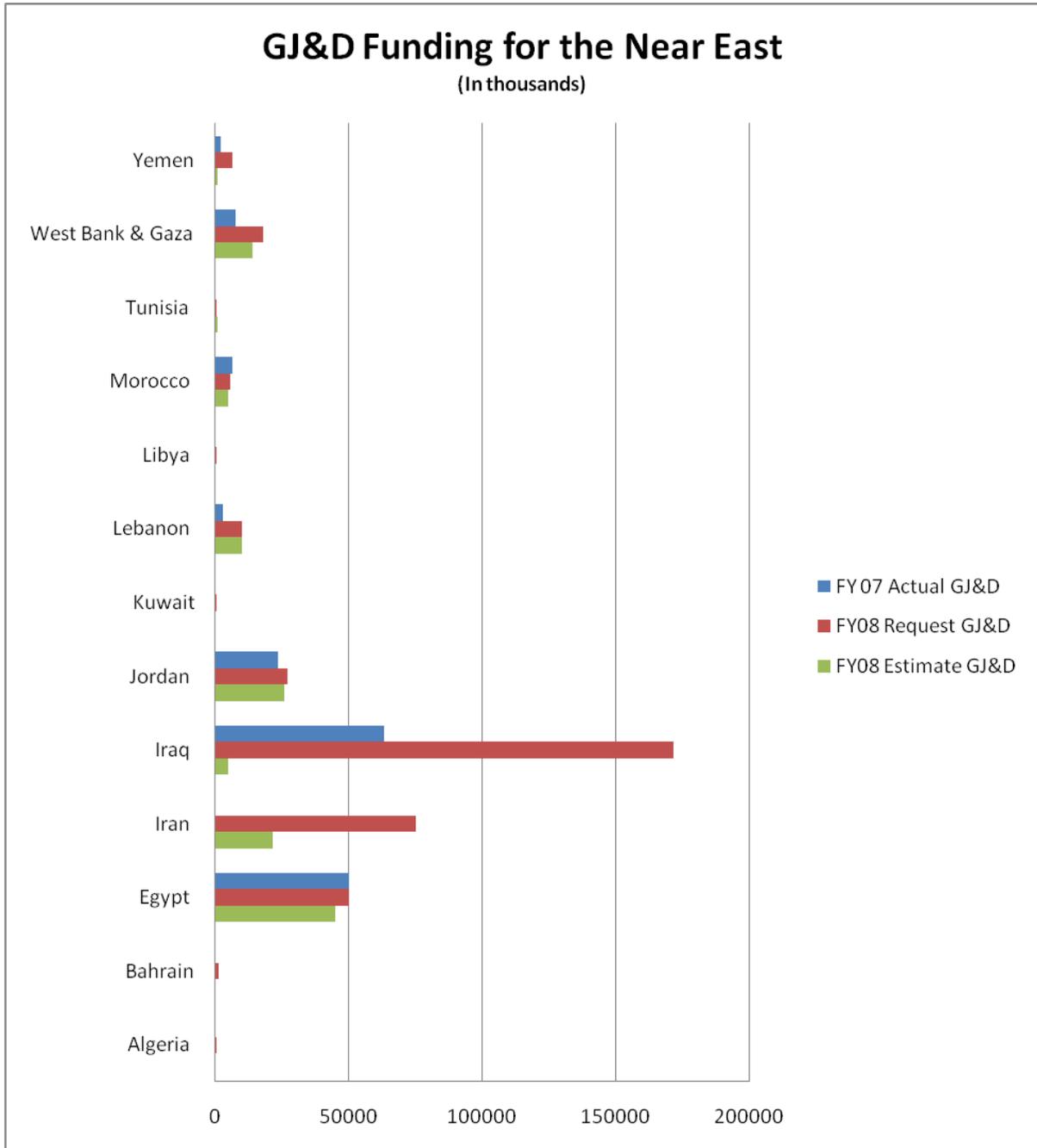
Country	FY 07 Actual GJ&D	FY08 Request GJ&D	FY08 Estimate
Algeria	0	400	0
Bahrain	0	1,100	0
Egypt	50,000	50,000	45,000
Iran	0	75,000	21,623
Iraq	63,348	171,820	4,960
Jordan	23,506	27,030	25,697
Kuwait	0	470	0
Lebanon	2,627	10,000	10,032
Libya	0	300	0
Morocco	6,387	5,500	4,596
Tunisia	0	200	992
West Bank & Gaza	7,750	18,000	13,897
Yemen	1,998	6,450	913
Total	179,376	407,340	152,966

The appropriations process for the Near East is skewed somewhat by the now regular emergency supplemental appropriation bills primarily dedicated to the wars in Afghanistan and Iraq which include substantial *Governing Justly and Democratically* funding. Congress has sought to manage the balance between the supplemental and non-emergency appropriations, but the numbers can be deceptive. For example, the funding for Iraq shows a sharp decrease from the FY07 level and the President's FY08 request, but is compensated for in the supplemental. The Near East receives comparatively more funding than any other region if combined with the regular FY08 estimated appropriation. Overall, the estimated appropriation for the region is quite strong, though we were dismayed to see that democracy funding for Egypt appears to be cut by \$5 million. Despite this cut, the congressional conference report did include important references to democracy in Egypt, including:

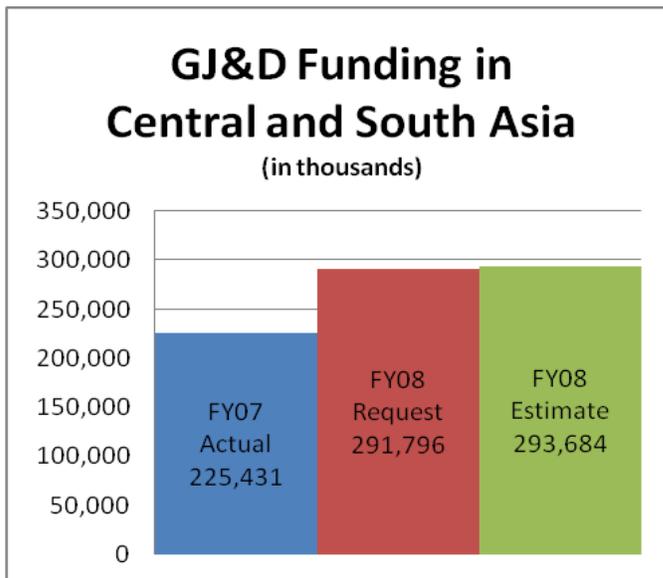
- \$100 million of foreign military financing and economic support funds was conditioned on the government of Egypt taking concrete and measureable steps to adopt and implement judicial reforms, curb police abuses and secure the border between Egypt and Gaza to protect against smuggling. This provides a good opportunity for the U.S. to reexamine its relationship with Egypt, a country described as "Not Free" by Freedom House, and Freedom House supports these conditionality efforts by the Congress. Since passage of the bill

last year, however, we were disappointed to learn that the Secretary of State waived these conditions placed on U.S. foreign assistance to Egypt.

- Specific language stating that organizations implementing democracy, human rights and governance activities not be subject to prior approval by the government of Egypt.



CENTRAL AND SOUTH ASIA



Country	FY 07 Actual GJ&D	FY08 Request GJ&D	FY08 Estimate
Afghanistan	150,874	202,000	208,449
Bangladesh	5,144	21,479	9,000
India	617	0	0
Kazakhstan	5,718	4,500	4,762
Kyrgyzstan	9,894	8,000	10,820
Nepal	6,943	2,500	6,500
Pakistan	28,712	41,600	39,843
Sri Lanka	2,350	1,367	1,988
Tajikistan	5,767	4,600	5,969
Turkmenistan	2,927	2,200	2,245
Uzbekistan	5,585	3,150	3,908
Total	225,431	291,796	293,684

In the FY08 estimated appropriation, the Central and South Asia region receives the most GJ&D funding, primarily due to substantial allocations for Afghanistan and Pakistan. Freedom House was pleased to see strong appropriations for Kyrgyzstan, Nepal and Tajikistan, but was disappointed that funding was not increased to support democracy activists and human rights defenders who face increasingly dire circumstances in Uzbekistan. In Bangladesh, the Congress appears to have provided less than half of the President's request, but nearly doubled what was actually allocated in FY07. The final appropriations law also included important language relevant to the region, noted below.

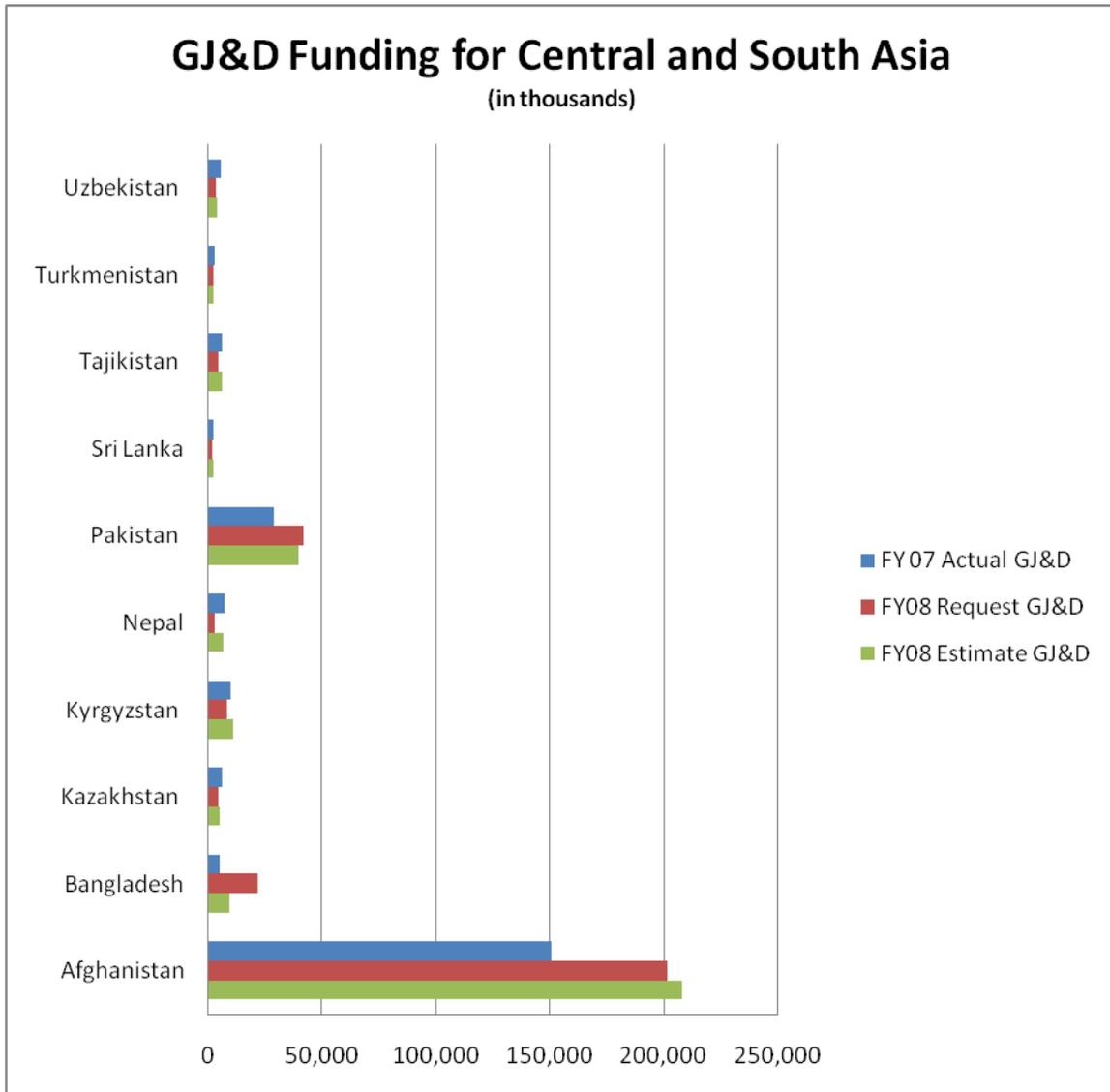
- **Pakistan**

- The law provides \$300 million in foreign military financing, \$250 million of which is to be obligated immediately. The remaining \$50 million is subject to a report by the Secretary of State, which in addition to anti-terror commitments, requires the Pakistani government to restore the constitution, ensure freedom of expression and assembly, release political detainees, allow inclusive democratic elections, and end harassment and detention of journalists and human rights defenders.

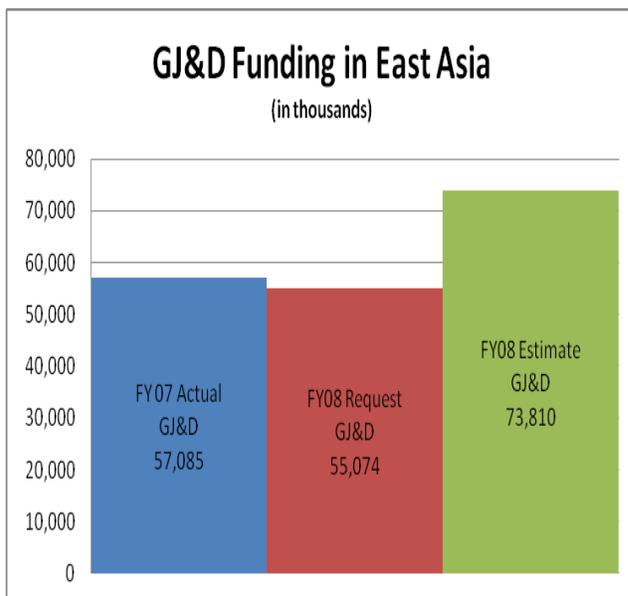
- **Kazakhstan**

- The law asserts that assistance for the government of Kazakhstan should be made available only if it has made significant improvements in the protection of human rights and civil liberties,

including fulfilling the obligations recommended by the OSCE and in meeting commitments the government of Kazakhstan made in connection with its assumption of the OSCE Chair in 2010.



EAST ASIA AND THE PACIFIC

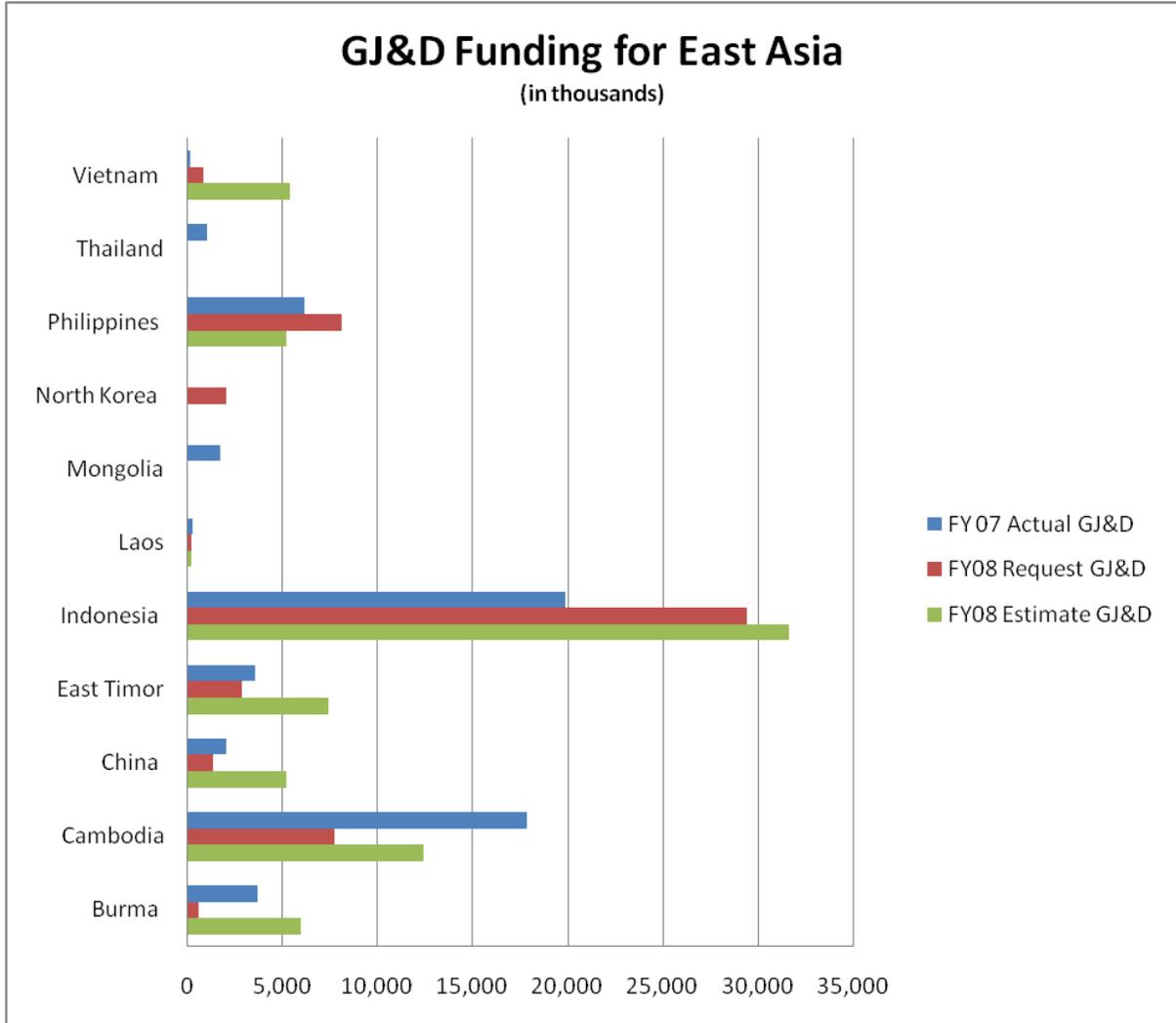


Country	FY 07 Actual GJ&D	FY08 Request GJ&D	FY08 Estimate
Burma	3,690	550	5,962
Cambodia	17,840	7,725	12,384
China	2,000	1,325	5,208
East Timor	3,550	2,845	7,400
Indonesia	19,882	29,414	31,650
Laos	250	220	220
Mongolia	1,700	0	0
North Korea	0	2,000	0
Philippines	6,125	8,100	5,178
Thailand	990	0	0
Vietnam	140	800	5,373
Total	57,085	55,074	73,810

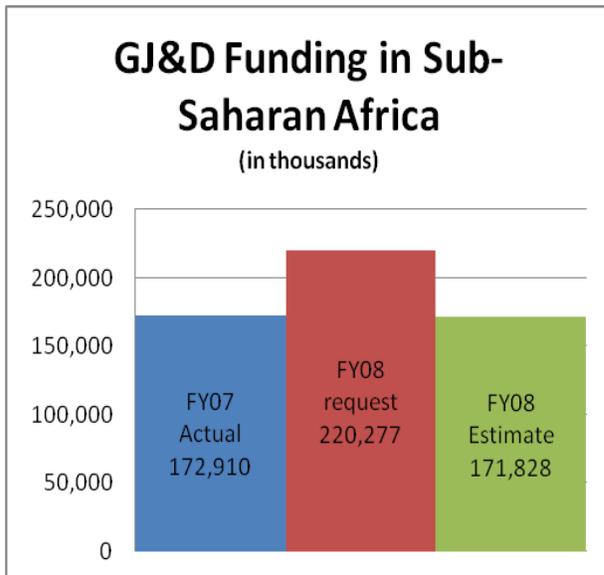
East Asia and the Pacific receives the least amount of GJ&D funding in the world, though the most people in “*Not Free*” countries, according to *Freedom in the World*, reside in this region. Despite this comparatively low overall amount, Freedom House applauds the overall increase in GJ&D funding in the region and the strong estimated appropriations for Burma, Cambodia, Indonesia, and Vietnam. We were disappointed with the GJ&D appropriation for the Philippines which was less than FY07 Actual or FY08 estimated levels. We encourage the Administration and Congress to enhance support for democratic actors in what remains a very fragile democracy. The final FY08 appropriations law included the language summarized below relevant to human rights in the region.

- **Indonesia**
 - The law provides \$15.7 million in foreign military financing for Indonesia, of which \$13 million may be obligated immediately. The remaining \$2.7 million is subject to steps being taken by the government of Indonesia “to address certain human rights concerns involving the Indonesian Armed Forces.”
- **The Philippines**
 - The law provides \$28 million in foreign military financing. An additional \$2 million is subject to a report by the Secretary of State that the government of the Philippines is implementing recommendations of the UN Special Rapporteur on Extrajudicial,

Summary of Arbitrary Executions, the Government of the Philippines implements a policy of promoting military personnel who demonstrate respect for human rights and the military of the Philippines does not engage in acts of intimidation or violence against legal organizations who advocate for human rights.



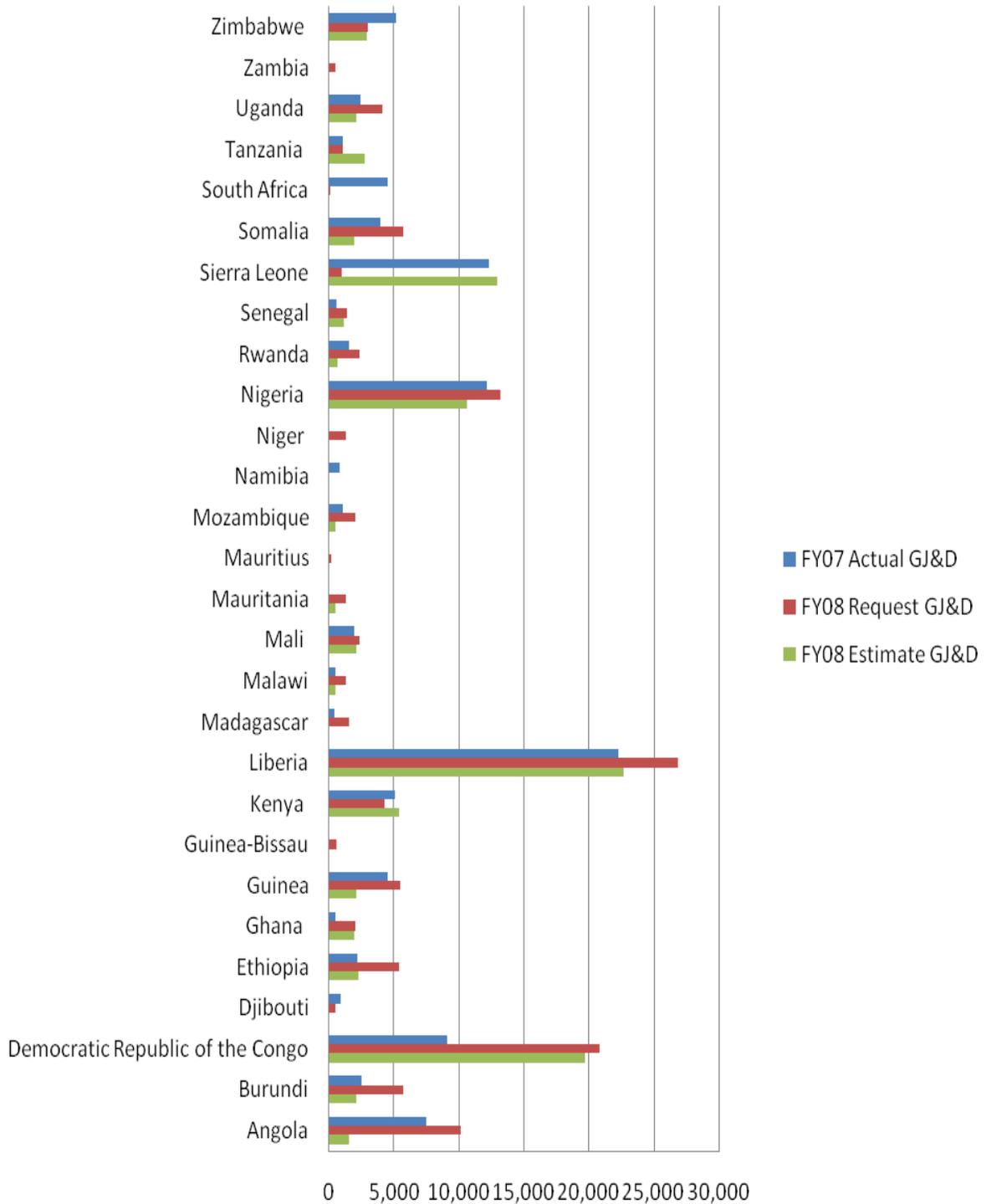
SUB-SAHARAN AFRICA



Sub-Saharan Africa was the only region (outside of the Near East which receives substantial supplemental funding elsewhere) where the FY08 estimated allocation for GJ&D was below the FY07 actual levels and the President's FY08 request. With the exception of Ghana, Mauritania, Senegal, Sierra Leone, Sudan, the DRC, Kenya, Liberia, Mali, Tanzania and Ethiopia, all other countries in the region experienced cuts from FY07 levels. Out of 29 countries in the region, Congress only met the Administration's request for GJ&D in five. We applauded the Administration for its substantial FY08 request, and we had hoped that democracy funding would have been more of a priority for the region during the appropriations process. As one of the most democracy-poor regions in the world, where autocratic governments and corruption thrive, support to strengthen democratic actors and institutions is a vital basis for development and health efforts.

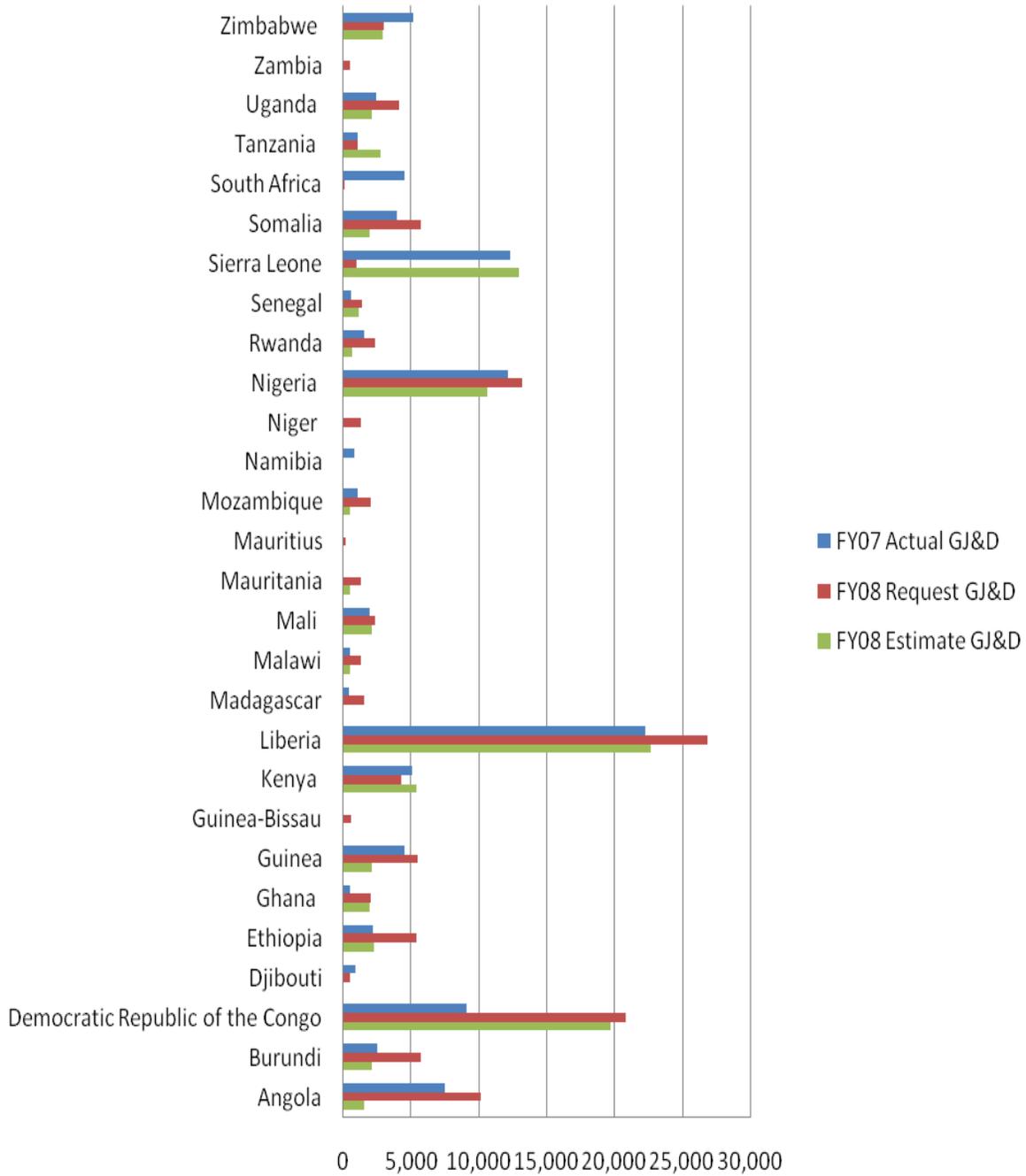
Country	FY 07 Actual GJ&D	FY08 Request GJ&D	FY08 Estimate
Angola	7,448	10,172	1,500
Burundi	2,477	5,700	2,107
DRC	9,062	20,850	19,671
Djibouti	900	500	0
Ethiopia	2,181	5,400	2,267
Ghana	500	2,000	1,912
Guinea	4,529	5,443	2,054
Guinea-Bissau	0	600	0
Kenya	5,077	4,300	5,400
Liberia	22,247	26,901	22,700
Madagascar	400	1,500	0
Malawi	500	1,250	500
Mali	1,896	2,350	2,100
Mauritania	0	1,320	500
Mauritius	0	190	0
Mozambique	1,052	2,045	499
Namibia	775	0	0
Niger	0	1,300	0
Nigeria	12,165	13,200	10,647
Rwanda	1,545	2,300	665
Senegal	600	1,400	1,100
Sierra Leone	12,291	1,000	12,919
Somalia	3,973	5,700	1,914
South Africa	4,475	100	0
Sudan	50,558	84,562	73,636
Tanzania	1,074	1,074	2,750
Uganda	2,419	4,100	2,100
Zambia	0	500	0
Zimbabwe	5,150	3,000	2,929
Total	172,910	220,277	171,828

Sub-Saharan Africa Funding by Country (in thousands)

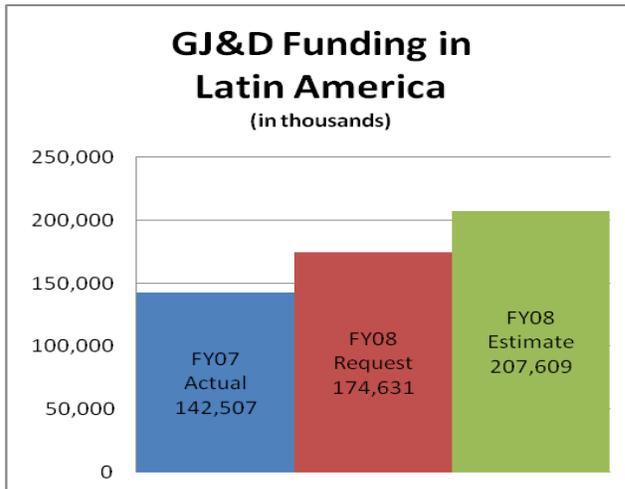


GJ&D funding in Sub-Saharan Africa (without Sudan)

(in thousands)



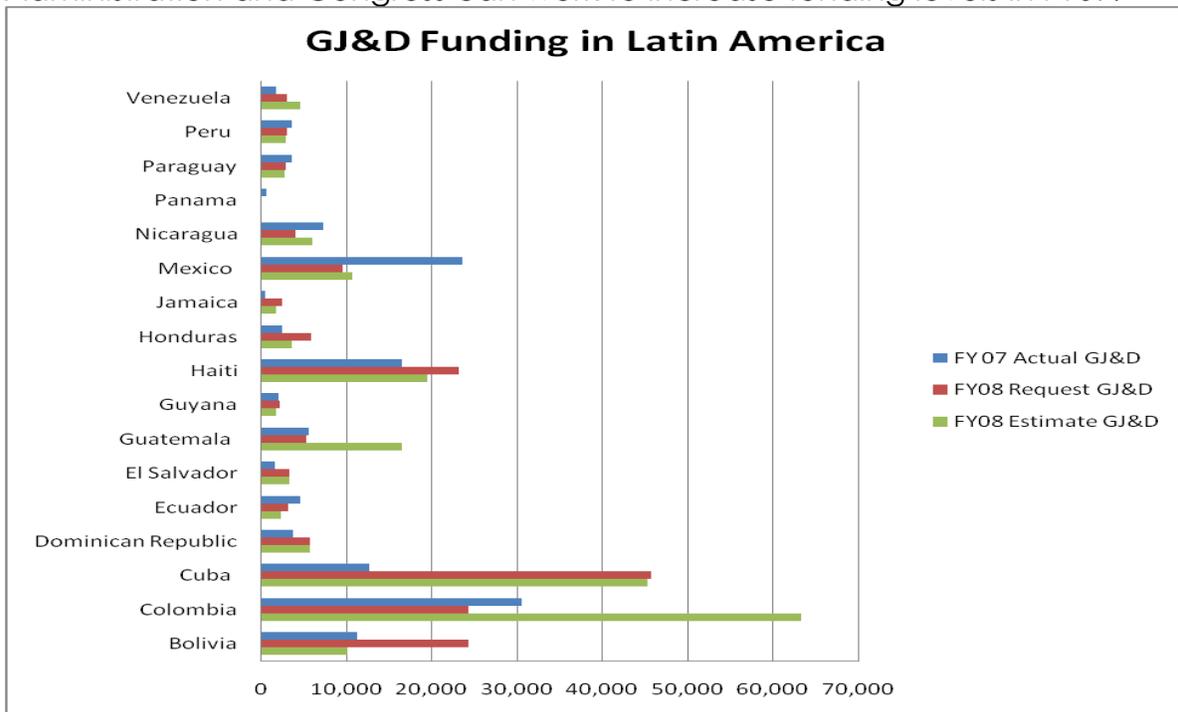
LATIN AMERICA AND THE CARIBBEAN

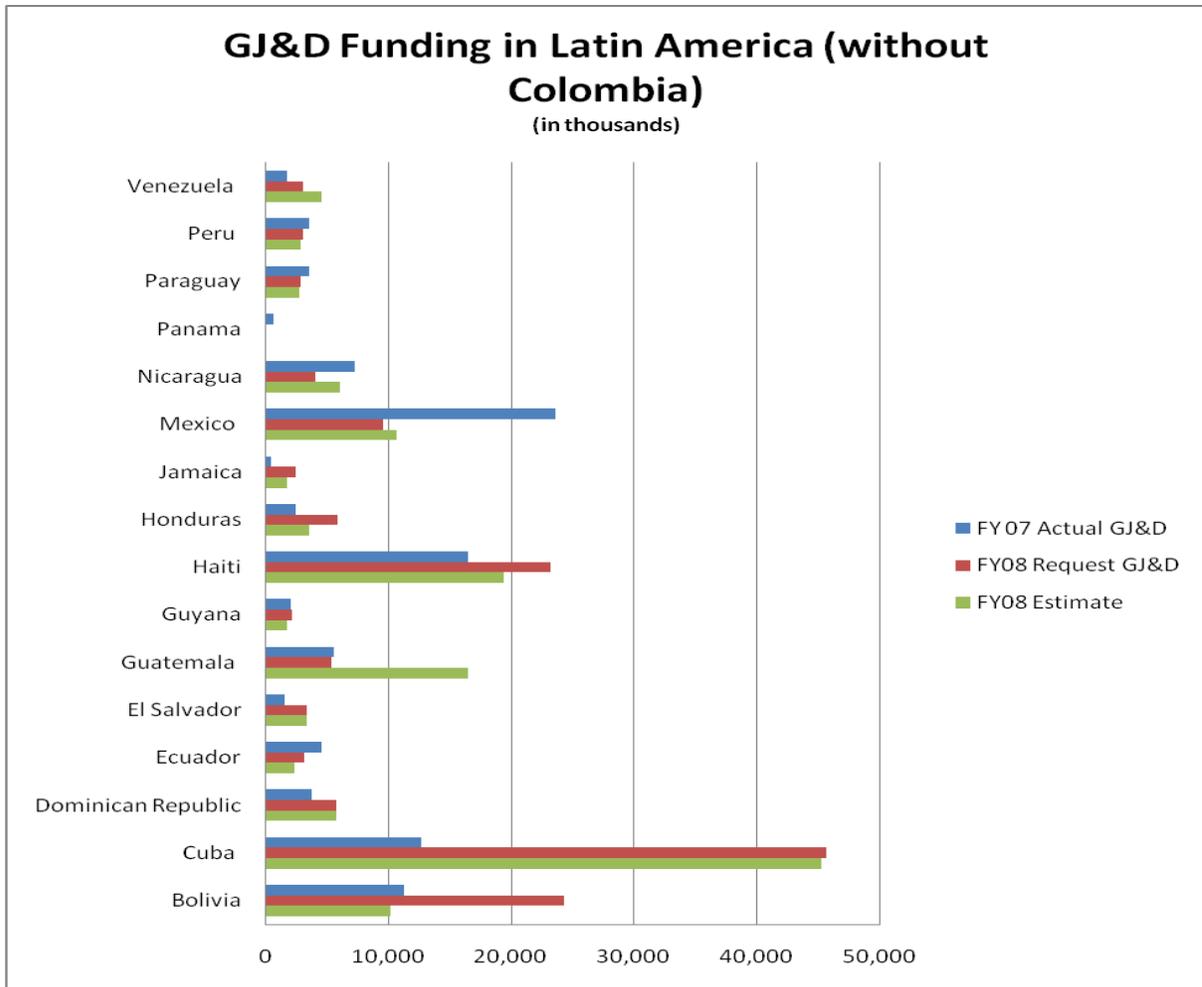


Country	FY07 Actual	FY08 Request	FY08 Estimate
Bolivia	11,255	24,300	10,092
Colombia	30,507	24,250	63,350
Cuba	12,690	45,700	45,330
Dominican Republic	3,707	5,750	5,750
Ecuador	4,521	3,072	2,282
El Salvador	1,500	3,318	3,318
Guatemala	5,481	5,300	16,424
Guyana	1,972	2,105	1,750
Haiti	16,482	23,173	19,426
Honduras	2,448	5,850	3,479
Jamaica	415	2,437	1,750
Mexico	23,629	9,495	10,653
Nicaragua	7,232	4,000	6,000
Panama	600	0	0
Paraguay	3,500	2,800	2,672
Peru	3,490	3,050	2,800
Venezuela	1,754	3,000	4,495
Total	142,507	174,631	207,609

Overall estimated funding for GJ&D in Latin America and the Caribbean increased in FY08 due primarily to an enormous increase in Colombia for rule of law programming. Guatemala, Venezuela and Haiti also received substantial increases over FY07 actual levels.

Despite these increases, the challenges to democracy remain high in places like Mexico and Bolivia, where Freedom House hopes the Administration and Congress can work to increase funding levels in FY09.





Conclusion

The threats to freedom around the world will likely grow in 2008. While uneven at times, the President's willingness to commit financial resources to democracy and human rights has been stronger than any previous Administration. We hope that the FY09 request, currently being debated in Congress, fully considers the considerable challenges posed by autocracies around the world. We also hope that the Congress, as it did with the FY2008 appropriation, recognizes that our international commitments to democracy and human rights are commonly held bipartisan virtues. Robust and necessary funding for these efforts is consistent with national security interests of the United States, as well as our political values and moral obligations to assist those democratic reformers and human rights defenders who seek and deserve our help. Freedom House looks forward to sharing the results of our analytical work on the state of political rights and civil liberties throughout the world with both the Administration and Congress as they deliberate on these important issues.