

Investing in Freedom:

An Analysis of the Obama Administration

FY 2011 Budget Request for

Democracy and Human Rights

April 2010

Special Report



Sarah Trister is the primary author of this year's report. Freedom House Executive Director Jennifer Windsor, Deputy Executive Director Thomas O. Melia, Director of Advocacy Paula Schriefer, and Director of Programs Robert Herman provided expertise and guidance throughout the process. Analytical background on recent democratic developments was provided by Freedom House publication *Freedom in the World*. Extensive research, editorial, proofreading and administrative assistance was provided by Melanie Dominski. Freedom House staff in Washington and in field offices around the world also offered valuable regional input. For additional Freedom House Special Reports, please see www.freedomhouse.org.

Freedom House is an independent watchdog organization that supports the expansion of freedom around the world. Freedom House supports democratic change, monitors freedom, and advocates for democracy and human rights.

Founded in 1941, Freedom House has long been a vigorous proponent of the right of all individuals to be free. Eleanor Roosevelt and Wendell Willkie served as Freedom House's first honorary co-chairpersons.

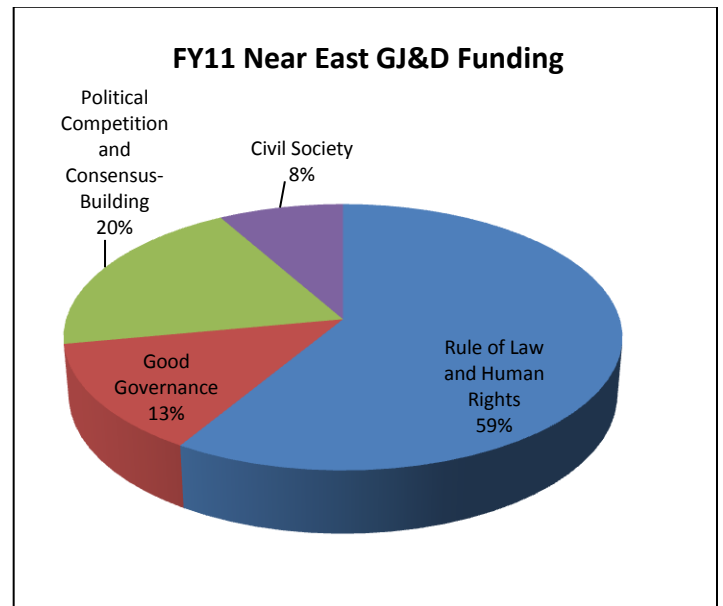
Glossary of Acronyms

AEECA:	Assistance for Europe, Eurasia and Central Asia
BBG:	Broadcasting Board of Governors
DA:	Development Assistance
DCHA:	Bureau of Democracy, Conflict and Humanitarian Assistance
DRC:	Democratic Republic of the Congo
DRL:	Bureau of Democracy, Human Rights and Labor
EAP:	East Asia and Pacific
ESF:	Economic Support Fund
FY:	Fiscal Year
GJ&D:	Governing Justly and Democratically
INCLE:	International Narcotics Control and Law Enforcement
INL:	Bureau of International Narcotics and Law Enforcement
MCC:	Millennium Challenge Corporation
MEPI:	Middle East Partnership Initiative
NED:	National Endowment of Democracy
NERD:	Near East Regional Democracy Program
NGO:	Non-Governmental Organization
OAS:	Organization of American States
OMEF:	Office of Middle East Programs
PCCB:	Political Competition and Consensus-Building
ROLHR:	Rule of Law and Human Rights
SCA:	South and Central Asia
USAID:	United States Agency for International Development
USIP:	US Institute of Peace
WH:	Western Hemisphere

Near East

Governing Justly and Democratically Funding for the Near East for FY11 received an almost 25% decrease, with a request of \$401 million. However, when you remove Iraq, funding increased by \$21 million over FY10 estimated levels, reflecting increases in **Lebanon, Morocco, and the West Bank and Gaza** and for the **Middle East Partnership Initiative (MEPI)**.

Bahrain currently receives no GJ&D funding and the requests for **Jordan** and **Yemen** each dropped from their FY10 estimated levels. Additionally, **Algeria, Tunisia** and **Libya** receive no GJ&D money for FY11. **Iraq's** GJ&D request went down 46% from FY10 estimated levels, with a request of \$175 million. Freedom House understands this is a move toward giving Iraqis a stronger hand in their own democratic future. We would urge close monitoring of the situation there as American GJ&D assistance levels drop to ensure that democratic gains continue and that human rights are protected. It is important to note that *Freedom in the World 2010* marked significant decreases in Political Rights and Civil Liberties across the region, with three countries, Jordan, Bahrain, and Yemen dropping from *Partly Free* to *Not Free*.

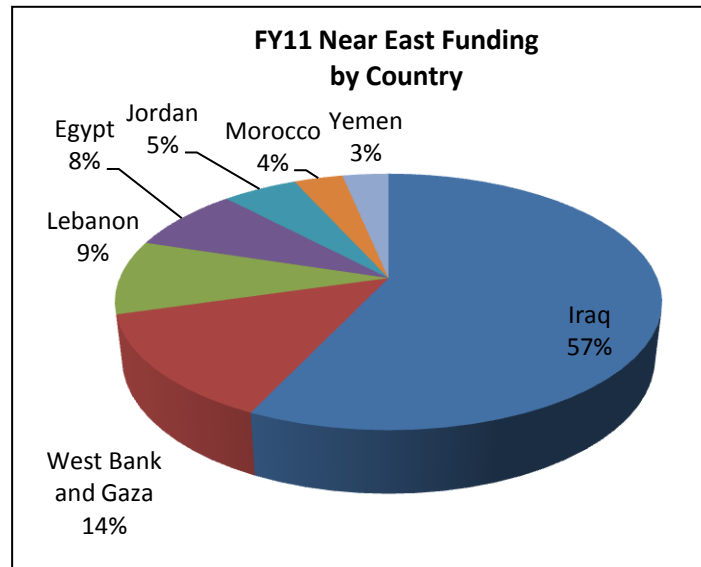


Freedom House is pleased to see that the request for the State Department's Middle East Partnership Initiative (**MEPI**) went up 45% with a request of almost \$53 million, and urges that these funds be used to bolster civil society and a respect for human rights in the region.

The Near East Regional Democracy (**NERD**) Program, which is responsible for much of the programming intended for Iran, received a request of \$40 million, the same as its FY10 requested and estimated level. USAID's Office of Middle East Programs (**OMEPI**) received a 70% decrease from the FY10 request, which is reflective of the shift towards requesting most regional funding for MEPI.

FY 11 Near East Governing Justly and Democratically Funding (in thousands of \$)

	FY09 Actual	FY10 Request	FY10 Estimate	FY11 Request	Change From FY10 Request	Change From FY10 Estimate
TOTAL FY11 NEAR EAST FUNDING	7,079,468	6,608,610	6,555,111	7,128,260	519,650 (7.86%)	573,149 (8.74%)
TOTAL NEAR EAST GOVERNING JUSTLY AND DEMOCRATICALLY FUNDING	483,548	545,467	530,817	401,048	-144,419 (-26.48)	-129,769 (-24.45%)
Rule of Law and Human Rights	82,586	131,254	122,923	91,249	-40,005 (-30.48)	-31,674 (-25.77%)
Good Governance	186,368	216,563	165,042	134,734	-81,829 (-37.79%)	-30,308 (-18.36%)
Political Competition and Consensus-Building	59,291	65,000	73,725	56,235	-8,765 (-13.48%)	-17,490 (-23.72%)
Civil Society	155,303	132,650	169,127	118,830	-13,820 (-10.42%)	-50,297 (-29.74%)



Regional and Country GJ&D Funding for Near East*

(in thousands of \$)	FY09 Actual	FY10 Request	FY10 Estimate	FY11 Request	Change From FY10 Request	Change From FY10 Estimate
Algeria <i>Not Free (6,5)</i>	0	800	380	0	-800 (100%)	-380 (100%)
Egypt <i>Not Free (6,5)</i>	20,000	20,000	25,000	25,000	5,000 (25%)	0
Iraq <i>Not Free (5,6)</i>	318,720	328,200	326,500	175,334	-152,866 (-47%)	-151,166 (-46%)
Jordan <i>Not Free (6,5)</i>	24,300	16,000	22,000	16,300	300 (2%)	-5,700 (-26%)
Lebanon <i>Partly Free (5,3)</i>	18,313	27,317	26,689	28,769	1,452 (5%)	2,080 (8%)
Libya <i>Not Free (7,7)</i>	1,000	0	0	0	-	-
Morocco <i>Partly Free (5,4)</i>	5,000	10,650	7,248	10,650	0	3,402 (47%)
Tunisia <i>Not Free (7,5)</i>	300	0	500	0	-	-500 (-100%)
West Bank and Gaza <i>Not Free (6,6)</i>	36,920	42,000	32,100	41,500	-500 (1%)	9,400 (29%)
Yemen <i>Not Free (6,5)</i>	4,000	10,000	11,000	10,000	-	-1,000 (-9%)
MEPI	25,900	48,500	36,400	52,900	4,400 (9.07%)	16,500 (45.33%)
NERD	25,000	40,000	40,000	40,000	0	0
OMEP	1,595	2,000	3,000	595	-1,405 (-70.25%)	-2,405 (80.17%)

*No USAID GJ&D funding was requested in FY 2011 specifically for the following countries: Bahrain, Israel, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates.

Iraq: For FY11 there is a sharp decrease in the GJ&D request for Iraq. This decrease represents a 47% drop from the FY10 request and represents a shift in the Administration's assistance programs in Iraq away from Governing Justly and Democratically programming and more towards security. While Iraq is certainly in a better position now than it was just a few years ago in terms of governance, it remains categorized as Not Free, is not an electoral democracy, and suffers from corruption at all levels of government according to the *Freedom in the World 2010* Report. **Freedom House urges Congress to closely monitor the human rights and democracy situation in Iraq to ensure that as the U.S. reduces its presence there that local institutions and civil society are equipped to continue to promote human rights and the move toward a stable democracy.**

Yemen: The attempted terrorist attack on Christmas Day in 2009 thrust Yemen into the public eye and highlighted the deteriorating security conditions there. Parliament and other political institutions are becoming increasingly marginalized and political violence is increasing as the government faces opposition from rebels in the north and south of the country. The Administration's request for Civil Society funding in Yemen represents a \$1 million decrease from FY10 estimated levels at a time when supporting governance and democracy programs should be a priority. **Freedom House recommends that Congress allocate at least \$3 million for Civil Society programs in Yemen.**

Jordan: The Administration's request for Jordan for FY11 is about the same as their request for FY10; however it represents a \$5.7 million decrease from FY10 estimated levels. This comes amidst political turmoil as King Abdullah dissolved Parliament in 2009 and postponed elections until the end of 2010, further marginalizing an already weak legislature. **Freedom House recommends Congress allocate at least \$22 million in GJ&D funds for Jordan.**

Egypt: Freedom House opposes the Administration's decision to suspend USAID funding to civil society groups in Egypt who are not officially registered with the Egyptian Ministry of Social Solidarity. Such control contravenes the Fiscal Year 2009 State and Foreign Operations Appropriations Act, which states: "With respect to the provision of assistance for democracy, human rights and governance activities, the organizations implementing such assistance and the specific nature of that assistance shall not be subject to the prior approval by the government of any foreign country." **Freedom House recommends that Congress restore U.S. assistance to all civil society groups.**

Near East Regional Democracy (NERD): In the FY2010 State and Foreign Operations Appropriations Bill, \$10 million was allocated under NERD to support internet freedom in repressive societies such as Iran. Freedom House is disappointed to see no funding specified for internet freedom activities in the Administration's budget and **encourages Congress to include at least \$10 million for internet freedom under NERD.**