

**Statement of Ambassador John O’Keefe  
Executive Director  
Open World Leadership Center  
Before the  
Subcommittee on Legislative Branch  
Committee on Appropriations  
United States Senate  
Fiscal Year 2010 Budget Request  
June 4, 2009**

Mr. Chairman, Ranking Member Murkowski, Senator Pryor, and Senator Tester, I appreciate the opportunity to present testimony on the Open World Leadership Center’s budget request for fiscal year 2010. The Open World Leadership Center, of which I am the Executive Director, conducts one of the largest U.S. exchange programs for Eurasia, through which some 6,100 volunteer American families in all 50 states have hosted thousands of emerging leaders from former Soviet countries. All of us at Open World are very grateful for Congress’s continued support and for Congressional participation in the Program and on our governing board. We look forward to working with you on the future of Open World.

Last year, American volunteers in **44 states and 202 Congressional Districts** home hosted Open World participants, contributing a large portion of the approximately \$1.8 million given to the Program in the form of cost shares—an amount equal to 20 percent of the Center’s fiscal year 2008 appropriation. Even though Open World is an international exchange program, more than **75 percent** of Open World’s fiscal year 2008 appropriated funds were expended on U.S. goods and services through contracts and grants.

More than 14,000 emerging leaders from Russia, Ukraine, Azerbaijan, Georgia, Kyrgyzstan, Moldova, Tajikistan, Turkmenistan, Lithuania, and Uzbekistan have participated in Open World. Significantly, more than 48 million Muslims reside in countries where Open World is active, and these countries have approximately 2,000 miles of shared borders with Iran and Afghanistan.

In fiscal year 2008, Open World had a 35 percent reduction in appropriated funds, which would have translated into an estimated 37 percent reduction in grants to U.S. organizations. However, through cost shares, staff cuts, contract terminations, an interagency transfer, and withdrawals from Open World trust fund reserves, the Center was able to maintain the quality of the Program and the number of participants at levels consistent with prior-year averages.

The Center’s budget request of \$14.456 million for fiscal year 2010 is a modest 4 percent increase over the fiscal year 2009 level of \$13.9 million, even though the cost of the logistical services contract will rise 6 percent. We will close this gap and maintain a participant hosting level of 1,400 through additional cost shares, with a portion coming from our partners abroad. We estimate that, as occurred with our fiscal year 2008

appropriation, more than 75 percent of the appropriated funds will be spent on U.S. goods and services, including \$4.16 million in direct grants to American host organizations. The funds will allow thousands of Americans throughout the United States and their counterparts abroad to generate hundreds of new projects and partnerships and other concrete results.

### **Open World Cost-Share Efforts**

The Center actively seeks a wide range of partners to diversify funding and strengthen the Open World Program. In 2008, the Center received interagency funding and direct contributions totaling over \$900,000. Cost shares, mainly from American grantees and hosts, added an estimated \$1.8 million. We received pledges of \$950,000 as gifts (for a three-year period) directed to programs not supported by appropriated funds. These pledges include a \$500,000 commitment (to be spent over three years) for our alumni program from Open World Trustee George Argyros, and \$450,000 (to be spent over three years to host health and education leaders from the Republic of Buryatia) from Senator Vitaliy Malkin of the Russian Parliament. To date, we have received \$482,000 of the \$950,000 pledged.

An interagency transfer of \$530,000 from the National Endowment for the Arts (NEA) to support all the hosting costs of the Russian Cultural Leaders Program represented a 6 percent increase over NEA transfers in previous years.

In 2007, the Center initiated a cost-share reporting requirement for all grantees in an effort to track the generous in-kind support that they and local hosts provide to the Open World Program. The Program received an estimated \$1.75 million in donated goods and services from hosts and grantees in 2007—**equal to 13 percent** of the Center's fiscal year 2007 appropriation. We expect to see a higher share for 2008 when the cumulative figures become available later this spring.

The Open World alumni program is paid for exclusively with nonappropriated funds. Open World has actively sought in-kind opportunities and cost shares in this area as well.

Numerous U.S. judges and legal professionals involved with Open World exchanges make independently financed reciprocal trips to meet with program alumni. In 2008, 61 American jurists involved with Open World's rule of law program made such reciprocal working visits to Open World program countries. Reciprocal visits with alumni help fulfill Open World's mission of strengthening peer-to-peer ties and partnerships.

### **Open World and Congress**

As a U.S. Legislative Branch entity, the Open World Leadership Center seeks to link Congress's foreign policy interests with citizen diplomacy. The Program proactively

involves Members of Congress in its programming and strives to make this programming responsive to Congressional priorities. In 2008, nearly one out of four (353) Open World participants met with Members of Congress and Congressional staff, either in Washington, D.C., or in the Members' constituencies.

A majority of the trustees on the Center's governing board are current or former Members of Congress. The Center also regularly consults with the House Democracy Assistance Commission (HDAC), the Commission on Security and Cooperation in Europe, the Congressional Georgia Caucus, the Congressional Ukrainian Caucus, other Congressional entities, and individual Members with specific interests in Open World countries or thematic areas. Moreover, in 2008, for the first time, the Center partnered with HDAC to provide Open World programming to three Ukrainian and six Georgian parliamentary staffers. The Center hopes to build on this partnership and to continue its success in the coming years.

### **Measures of Success**

The Open World Leadership Center tracks the results of the Open World Program using eight categories, or "bins," such as partnerships with Americans, alumni projects inspired by the Open World experience, and benefits to Americans. Since launching a results database in August 2007, Open World has identified more than 2,000 results (see attached Results Chart). Some representative results are:

- A Russian alumna was one of seven recipients of the Secretary of State's 2009 International Women of Courage Awards. Accompanied by First Lady Michelle Obama, Secretary Clinton praised the alumna for her "stalwart leadership in seeking justice for the families of bereaved [military] service members."
- Ukrainian alumna Anzhela Lytvenenko and her organization Successful Woman won a \$15,000 Democracy Grant for a project to improve government/NGO cooperation on human-trafficking prevention in Ukraine's Kherson Region.
- An Azerbaijani alumnus designed a brochure for recruiting citizen election monitors based on a form for enlisting campaign volunteers that he obtained from Representative John Sarbanes (MD) during an April 2008 Open World visit to the Baltimore area.
- Open World host and Atlanta-Tbilisi (Georgia) Sister City Committee Chairman John Hall partnered with alumni in Tbilisi to organize an economic summit in Atlanta in December 2008.

## **Open World 2010 Plans and 2009 Activities**

In 2010, Open World will carry out the goals of the recently revised Strategic Plan (2007–2011) as approved by the Board of Trustees, focusing on quality control of nominations and U.S. programs. We plan to expand to at least one additional country (Armenia), and we will continue our effort to diversify our funding. We will add more delegates from Central Asia and the Caucasus while proportionally reducing the number of Russian delegates.

We will host additional members of the national legislatures of Open World countries located in Central Asia and the Caucasus, based on reports of the effectiveness of Open World parliamentary hosting received from the U.S. Embassies. The Center will also continue the rule of law programs for participating countries where we are finding substantial cooperation and movement toward an independent judiciary. We will foster sister states/sister cities programs in many locations in the United States, and broaden efforts in the cultural field, where, through our Russian Cultural Leaders Program, we have, for example, benefited museums in the Midwest thanks to our partnerships with the Likhachev Foundation and the American-Russian Cultural Cooperation Foundation.

In cooperation with the Department of State, we plan to intensify our work with women leaders. With funding in 2010 at the requested level, Open World will continue to share America's democratic processes and institutions, send about 1,400 participants to homes throughout the United States, and spread a wealth of American experiences to borders beyond our own.

For 2009, Open World continues to host in thematic areas that advance U.S. national interests, generate concrete results, and support U.S. organizations and communities engaged in these thematic areas. This programming emphasizes and builds on Open World's incremental successes in the fields of governance (emphasizing the legislative branch's role in helping to bring about good governance and affecting public policy), the rule of law, human-trafficking prevention and prosecution, environmental issues, and ecotourism. This year Open World will also increase its non-Russian programming to approximately 45 percent of its total programming (up from 36 percent in 2008 and 23 percent in 2007).

Demonstrating Open World's commitment to supporting existing partnerships and initiatives, an estimated 70 Open World hosting programs (31 percent of all 2009 programming) will be conducted by Americans with established partnerships in Open World countries. For example:

- Freedom House, a nonprofit, nonpartisan organization that serves as a voice for democracy and freedom, will host accountable governance delegates from Kharkiv, Ukraine, in their U.S. sister city of Cincinnati.
- Building on a 15-year-old relationship between Maryland and Russia's Leningrad Region, the Office of the Secretary of State of Maryland will

host an accountable governance delegation from the Leningrad/St. Petersburg area in 2009.

- In the area of human trafficking, one of Open World's veteran grantees, the Terrorism, Transnational Crime and Corruption Center, will be hosting some of their Russian partners and colleagues on a program focused on combating child exploitation and trafficking.

Turning to post-visit initiatives for alumni, the Center plans, using private funds, to host two results-oriented one- or two-day thematic workshops in Russia, one of which will highlight Open World's nonproliferation program. Another 23 or so half-day events will be held in Russia and other Open World countries on topics proposed by alumni.

### **Open World and Shared Funding**

In response to the language of the Omnibus Appropriations Act, 2009 (Public Law 111-8), Chairman Billington and I have met twice with senior officials of the Department of State and with officials from the Administrative Office of the U.S. Courts to discuss shared funding. The Center has also discussed cost-share arrangements with the Russian Supreme Commercial Court. The Court has tentatively agreed to share the cost of bringing Russian commercial court judges to the United States on Open World for hosting by American judges. We remain committed to working with the Subcommittee and our Board of Trustees to pursue any alternative sources of funding, and we will report back on our findings by no later than May 30, 2009.

### **Fiscal Year 2010 Budget Request**

The Center's budget request of \$14.456 million for fiscal year 2010 is a 4 percent increase over the fiscal year 2009 request of \$13.9 million. Funding at this level will enable the Center to continue its proven mission of hosting young political, civic, and cultural leaders from Russia; maintain its important program for Ukraine; and continue smaller but growing programs in the Caucasus and Central Asia. The Board of Trustees believes that maintaining a robust grassroots-based Open World presence in Russia is necessary and important for future U.S.-Russia relations, but programs in expansion countries continue to account for a larger percentage of hosting than in the past.

The budget request maintains hosting and other programmatic activities at a level of approximately 1,400 total participants, which remains far below the limit of 3,000 set in the Center's authorizing legislation. Actual allocations of participant slots to individual countries will be based on Board of Trustees recommendations and consultations with the Subcommittee and U.S. Embassies. The requested funding support is also needed for higher salary costs in fiscal year 2010, as well as for increased logistical costs due to higher airfares and less favorable exchange rates

**Field Code Changed**

Major categories of requested funding are:

- Personnel Compensation and Benefits and other operating expenses (**\$1.43 mil**)
- Contracts (**\$8.86 mil** – awarded to U.S.-based entities)
- Grants (**\$4.16 mil** – awarded to U.S. host organizations)

The Center also requests Subcommittee approval of an amendment to its statute. This proposed amendment will enable the Center to improve the Open World Program's administration and to build upon its successful civic and cultural exchange programs by encouraging interaction with and among program alumni, and by extending the cultural program to new countries if approved by the Board.

## **Conclusion**

State Department Under Secretary for Political Affairs William Burns said that Open World is the most effective exchange program of the many he was involved with while serving as ambassador to Russia and, earlier, as assistant secretary in the Bureau of Near Eastern Affairs. While Open World's results are often measured in quantitative terms, the Program has a profound impact that is captured in anecdotes and qualitative feedback from participants. The editor of a major Russian regional newspaper told his readers in a post-visit article that, after his Open World program in New Hampshire, he saw no basis for any future U.S.-Russia conflict (*Volna*, January 29, 2008). An alumna who sits on a Russian regional supreme court wrote an e-mail to Open World organizers stating: "I can say unequivocally that the [Open World] visit not only changed my view of the Russian Federation's judicial system, but also brought about an overall change in my worldview as a whole."

Funding the 2010 Open World Program at the requested level will allow Americans in hundreds of Congressional Districts throughout the United States to engage up-and-coming Eurasian political and civic leaders—such as parliamentarians, environmentalists, and anti-human trafficking activists—in projects and ongoing partnerships. Americans will, once again, open their doors and give generously to help sustain this successful Congressional program that focuses on a region of renewed interest to U.S. foreign policy.

The fiscal year 2010 budget request will enable the Open World Leadership Center to continue making major contributions to an understanding of democracy, civil society, and free enterprise in countries of vital importance to the Congress and the nation. The Subcommittee's interest and support have been essential ingredients in Open World's success.