



USIP

Program & Budget

in Brief

Fiscal Year

2005

**UNITED STATES
INSTITUTE OF PEACE**

FY 2005 Program & Budget in Brief
(\$ in thousands)

| | FY 2003 Actual | FY 2004 Estimate | FY 2005 Estimate | Increase/ Decrease (-) |
|----------------------------------|-------------------|---------------------|---------------------|---------------------------|
| United States Institute of Peace | 16,256 | 17,099 | 22,099 | 5,000 |

SECTION I – USIP PROGRAM SUMMARY

1. Request

The Administration’s FY 2005 request of \$22.1 million for USIP provides for innovative approaches to human capacity building for peace and working with public and private partners to manage and resolve international conflicts. The budget emphasizes engaging the Muslim world as part of the Administration’s strategy to promote democratization of the "greater Middle East" to help resolve the region's many problems.

2. Authority and Mission

President Reagan established the United States Institute of Peace (USIP) as an independent, nonpartisan federal institution in 1985 to support the American people’s heritage, ideals, and concerns for peace by promoting the prevention, management, and peaceful resolution of international conflicts. The Institute operates under the authority of the United States Institute of Peace Act enacted as Title XVII of the Defense Authorization Act of 1985, P.L. No. 98-525 (Oct. 19, 1984), as amended.

Based on the USIP act and affirmed by the Administration, the Institute’s mission is to promote international peace through activities in the United States and abroad: education programs at the secondary through graduate levels; fellowships; professional training; applied research and analysis; conferences and workshops; facilitating dialogue; and grants to non-governmental organizations (NGOs) and educational institutions; library and information services; and publications. The Institute’s mission also is to promote better understanding within the United States of the world's diversity, complexity, and interconnectedness.

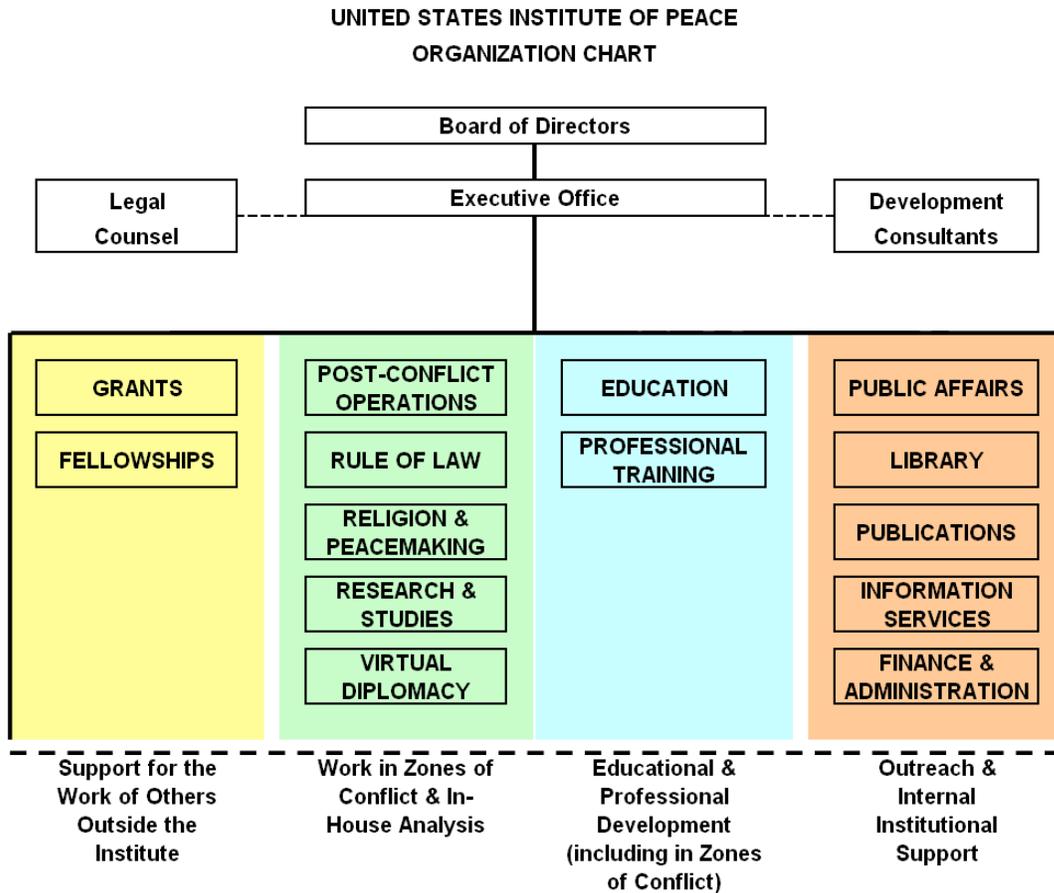
3. Organization

The current organization is displayed on page 2 and detailed program descriptions are found in Section III. Brief descriptions of major elements follow.

Board of Directors—The bipartisan board is composed of members appointed by the President of the United States and confirmed by the Senate, including the secretary of state, the secretary of defense, the president of the National Defense University, and the president of the Institute (nonvoting). The board oversees the activities of the Institute—setting long-term goals and priorities for the Institute—and appoints the USIP president.

Executive Office—This element directs the Institute's program, financial, and administrative policies. Senior officers include the president, executive vice president, vice president, and chief financial officer.

Operating Elements—Other senior officers include the directors of the offices that manage the Institute's programs and operations.



3. Program Highlights

The Government Performance and Results Act (GPRA) of 1993 (P.L. 103-62) continues to serve as an important mechanism to focus all of USIP on doing the right things—and doing them well. In FY 2005, the Institute will emphasize the following goals, which support the *United States Institute of Peace Strategic Plan 2003-2009*.

USIP STRATEGIC PLANNING FRAMEWORK

EDUCATION AND PUBLIC UNDERSTANDING:

- **Educate and train** scholars, students, and teachers; practitioners—including policymakers, military officers and civilian police, and international leaders; and representatives from religious, ethnic, and scientific communities in conflict management skills and about current international conflicts.

ZONES OF CONFLICT OPERATIONS:

- **Promote post-conflict stabilization, reconstruction, and reconciliation**—with current emphasis on Iraq, Afghanistan, and the Philippines.
- **Directly contribute to the prevention and resolution of violent conflicts**—especially in the Muslim world, helping to improve relations between the United States and Muslims abroad.

EDUCATION AND PUBLIC UNDERSTANDING: USIP programs emphasize improving education, professional development, and public awareness and understanding about conflict resolution, peace studies, and international conflicts.

- Seminars and workshops around the United States for college and secondary school faculty enhance teaching skills and strategies, and expand conflict studies in the classroom. Topics include the nature and sources of international conflict in the post-Cold War world, new approaches to managing conflict, and effective ways to teach about conflict and peacemaking.
- Fifty thousand high school students throughout the Nation have participated in the annual National Peace Essay Contest open to American students in grades 9–12. First-place state winners receive college scholarships, compete for national awards, and earn a trip to Washington, D.C., where U.S. senators, representatives, and staff meet with students on Capitol Hill and three national winners are chosen and given additional honors and scholarship support.
- Current Jennings Randolph Fellows’ research topics include, for example, the crisis of education in the Muslim world; post-Ba’ath democratization in Iraq; state-mosque relations in Iraq; business’s role in peacemaking; Kashmir; and pre-emptive strategies in the war on terrorism, with special attention to the Philippines and Colombia.
- At least 150 colleges and universities have adopted Institute books and educational material for classroom use. For example, Institute-produced teaching guides cover a wide range of topics, including international terrorism, the U.S. military's role in international peacekeeping, and America’s response to the changing nature of international conflict.
- The Institute is equipping the Kenyan Peace Support Training Centre and Defence Staff College of Kenya to improve the quality of its training of senior civilian and military officials from African countries selected to plan, command, or support various international humanitarian and peacekeeping operations.

- In partnership with the Middle East Children's Association, a joint Israeli-Palestinian NGO, the Institute trained Israeli and Palestinian teachers and teacher trainers in inter-communal relations, drawing on lessons learned from other conflicts such as Northern Ireland, South Africa, Macedonia, Tajikistan, Indonesia, and Lebanon.
- USIP grants support cutting-edge research and studies. Examples include a grant to Ohio State University supporting examination of possibilities for reconciliation on the Korean peninsula and a University of Pennsylvania study of the psychological complications among political victims of torture.
- The Institute trains American police and constabulary officers who have volunteered to go overseas to serve as on-the-ground, specially trained peacekeepers in post-conflict areas such as East Timor and the Balkans. Hundreds of such civilian police are now serving overseas, and many passed through USIP training before departing.
- The Peace Scholar Fellowship Program enables outstanding doctoral-level graduate students, from anywhere in the world enrolled in American universities, to conduct doctoral dissertation research on international peace and conflict management.
- The Institute's research spans the globe, but special efforts emphasize Africa, the Asia-Pacific region, and the Middle East. Examples include cross-cultural negotiation, coercive diplomacy, civilian-military relations, human rights implementation, and political violence.

ZONES OF CONFLICT OPERATIONS: USIP efforts abroad emphasize post-conflict stability, peacemaking and management of international conflicts, and policy development.

- USIP's Professional Training Program director served as the Coalition Provisional Authority (CPA) coordinator for humanitarian assistance in Iraq.
- The Institute worked throughout the spring and summer in Iraq with jurists and coalition officials on rebuilding the legal system and on the design of post-war justice in Iraq.
- The Institute is providing operational support for the U.S. commitment to facilitate a political settlement to the decades-long Muslim separatist rebellion in the southern Philippines—base of the Abu Sayyaf terrorist group and the Jemaah Islamiah, organizations linked to al-Qaeda and Osama bin Laden.
- The Institute brought Afghani judicial officials to the United States to explore options for rebuilding and reforming Afghanistan's criminal justice system, in the first effort to develop consensus among diverse elements within the Afghani legal system. Institute contributions to Afghani legal training, law reform, and consensus building are ongoing.

- USIP is strengthening dialogue, problem solving, team building, and conflict resolution skills among Israeli and Palestinian religious officials through international interfaith dialogue among Christian, Jewish, and Muslim leaders and scholars.

USIP Performance Results

| | |
|---|--|
| Outcome Desired | <ul style="list-style-type: none"> • The United States and other countries develop the capabilities to prevent, resolve, and manage international conflict. • Local and regional instabilities do not threaten the security and well being of the United States or its partners in peace. |
| Goal | <ul style="list-style-type: none"> • The Institute educates and trains students, scholars, teachers, and international affairs practitioners in the methods, techniques, and nature of conflict prevention, resolution, and management. |
| Target | <ul style="list-style-type: none"> • Maintain current percentage of "excellent" ratings in program evaluations. |
| Result | <ul style="list-style-type: none"> • Sample of Institute programs (e.g., Training) received an average score of 9 out of 10 for perceived value to the participant. |
| Data Requested | <ul style="list-style-type: none"> • Participants in Institute programs are regularly asked to rate program effectiveness. |
| Impact | <ul style="list-style-type: none"> • The high value that participants place on the Institute's programs demonstrates that knowledge and skills gained by participants have a positive effect on their professional lives. • Results indicate progress toward the Institute's strategic goals by indicating participants have greater understanding that translates into changed attitudes and behavior that reduces hostility, increases conflict-resolution effectiveness, and contributes to more positive perspective on the United States. |
| Data Availability and Collection | <ul style="list-style-type: none"> • In general, data availability and collection are good; however, more resources put into tracking alumni of the Institute's programs would better support both. |
| Impact of Performance Shortfall | <ul style="list-style-type: none"> • Not applicable. |
| Data Reliability | <ul style="list-style-type: none"> • The data sample is reliable, comprising responses from 1,500-2,000 participants in training programs. |

SECTION II – USIP BUDGET FOR FY 2005

1. Budget

The President’s FY 2005 budget includes a net increase of \$3.8 million for the Institute for a total request of \$22.1 million.

Owing to the need to prioritize, the Institute projects offsetting program reductions totaling -\$1.3 million.

Projected staffing for USIP totals 92 positions, up a total of nine FTE from FY 2004.

2. Explanation of Tables and Charts

Summary of Positions and Resources by Goal, 2003-2005 (p. 7): Summarizes the Institute’s budget for fiscal years 2003-2005, including positions and major programmatic function (e.g., Education, Zones of Conflict).

History of Appropriation on a Constant Dollar Basis (p. 8): Shows the history of the Institute’s direct appropriation for the period 1994-2004 on a constant dollar basis (adjusted for inflation).

Summary Explanation of Change, 2004-2005 (p. 8): Displays the major budget elements and funding changes from comparable FY 2004 levels to the FY 2005 request. A detailed explanation follows on pages 9-10.

Summary of Positions and Resources by Goal, 2004-2005
 (\$ in thousands)

| Goals | FY 2004 Estimate | | FY 2005 Estimate | | Increase/Decrease (-) | |
|--|------------------|--------|------------------|--------|-----------------------|-------|
| | Positions | Funds | Positions | Funds | Positions | Funds |
| EDUCATION AND PUBLIC UNDERSTANDING | | | | | | |
| <i>Educate emerging generations about the nature of current international conflicts</i> | 41 | 8,016 | 45 | 9,378 | 4 | 1,362 |
| <i>Train professionals in conflict management skills</i> | 14 | 3,339 | 17 | 4,295 | 3 | 956 |
| Subtotal, Education and Public Understanding | 55 | 11,355 | 62 | 13,673 | 7 | 2,318 |
| ZONES OF CONFLICT | | | | | | |
| <i>Directly contribute to prevention/resolution of violent conflicts in the Muslim world, and improve relations between the United States and that world</i> | 3 | 745 | 3 | 1,014 | - | 269 |
| <i>Develop integrated national program for post-conflict stabilization, reconstruction, and reconciliation</i> | 6 | 2,422 | 8 | 3,050 | 2 | 628 |
| Subtotal, Zones of Conflict Operations | 9 | 3,167 | 11 | 4,064 | 2 | 897 |
| PROGRAM SUPPORT SERVICES | 19 | 3,702 | 19 | 4,362 | - | 660 |
| Total Resources by Goals | 83 | 18,224 | 92 | 22,099 | 9 | 3,875 |

History of USIP Appropriation
(\$ in thousands)

| Fiscal Year | Funding | Current Dollars (1995) | Real Change (+/-) |
|-------------|---------|------------------------|-------------------|
| 1995 | 11,482 | -- | - |
| 1996 | 11,491 | 11,211 | -271 |
| 1997 | 11,160 | 10,571 | -640 |
| 1998 | 11,160 | 10,394 | -177 |
| 1999 | 12,152 | 11,140 | 746 |
| 2000 | 12,951 | 11,560 | 420 |
| 2001 | 15,000 | 13,075 | 1,515 |
| 2002 | 15,096 | 12,952 | -123 |
| 2003 | 16,256 | 13,581 | 629 |
| 2004 | 17,099 | 13,917 | 336 |

Current dollars estimates based on Department of Labor Consumer Price Indexes and average of OMB and CBO 2004 estimates.

Summary Explanation of Change, 2004-2005
(\$ in thousands)

| | 2004 Appropriation (Comparable) (1) a/ | Price Increases (2) | Federal Pay/Benefits Changes (3) | Other Net Built-in Changes (4) | Total Current Services (5) | Reductions (6) | Increases (7) | Net Increase/ Decrease (8) | 2005 Request (9) |
|--|---|---------------------------|---|--|-------------------------------------|-------------------|------------------|-------------------------------------|------------------------|
| Education & Public Understanding | 10,837 | 61 | 527 | 278 | 11,703 | -165 | 2,481 | 2,316 | 14,019 |
| Zones of Conflict Operations | 2,789 | 16 | 84 | 3 | 2,892 | - | 939 | 939 | 3,831 |
| Program Support Services | 3,473 | 20 | 177 | 1,448 | 5,118 | -1,078 | 209 | -869 | 4,249 |
| Total, USIP Enacted | 17,099 | 97 | 788 | 1,729 | 19,713 | -1,243 | 3,629 | 2,386 | 22,099 |

a/ For comparative purposes, excludes balances, endowment, transfers, reimbursements, and grants funds received, and miscellaneous receipts from or in connection with fees and other payments (e.g., publications sales).

3. Detailed Explanation of Changes, 2004-2005

As indicated by the table on the preceding page, USIP is requesting a total of \$22.099 million, a net increase of \$3.875 million from 2004 overall resources (\$18.224M). Details are provided below.

Current Services Changes

Current services requirements total \$2.614 million, of which the Institute’s 2005 plan allows \$1.371 million:

Cost Increases and Other Built-In Requirements:

| | |
|--|----------------|
| Price increases..... | \$97,000 |
| Full-year costs of federal pay raises and related changes..... | 788,000 |
| Other price increases and built-in changes..... | <u>486,000</u> |
| Subtotal, Cost Increases and Other Built-In Requirements..... | 1,371,000 |

Price Increases, \$97,000—This increase will help defray the cost of inflation, which the Administration estimates in FY 2005 at 1.013 percent, and consists of increases in the cost of rents, utilities, supplies and materials, travel, and contractual services.

Federal Pay and Benefit Changes, \$788,000—This increase provides for the full-year costs anticipated to be implemented in January 2005 for the federal pay raise (\$590,000) and annualization of staffing requirements (\$198,000) related to FY 2004.

Other Net Built-In Changes, \$486,000—This increase results from program cost increases related to evaluation of the USIP Press, software training for publications staff, digital library information, public outreach, grants staff travel, bringing fellows’ stipends up to subsistence levels, and one-third annualization of built-in requirements related to improving financial management.

Program Reductions

The request reflects estimated program reductions of -\$1,243,000. The effects of these reductions follow:

- *LIBRARY (-\$80,000)*: Reduced services, including deferring full development of digital resources such as collection of peace agreements signed by the major contending parties ending conflicts worldwide since 1989 and truth commissions and related bodies’ documents, decrees, and final reports;
- *FELLOWSHIPS (-\$85,000)*: Reduction in fellowship travel allowances provided to scholars, policymakers, journalists, university students, and others to conduct research on international conflict and peace; and
- *FINANCIAL MANAGEMENT (-\$1,078,000)*: Deferring planned FY 2005 full implementation of Integrated Financial Management System until FY 2007.

Non-Recurring Funds

Non-Recurring Funds, -\$1,125,000—This projected decrease in operating funds results from estimated non-recurring costs related to -\$361,000 in direct carryover applied; -\$139,000 in prior year recoveries; -\$125,000 for transfers and reimbursements; and a total of -\$500,000 in miscellaneous receipts, inestimable in FY 2005.

Program Enhancements

Program Enhancements, \$3,629,000—The Institute’s request includes program enhancements of \$3,629,000 to help Arab and Muslim governments adopt human rights and fundamental freedoms—particularly women's empowerment—and greater political participation, rule of law, openness, and capacities for settling disagreements without violence.

USIP Muslim World Initiative Framework

| GOALS | FOCUS | TARGET AUDIENCE | PROGRAMATIC ACTIVITIES | OUTCOME/ PRODUCT |
|---|---|---|---|--|
| Support Regional Transformation Goals | <i>“Pivotal States” (Egypt, Saudi Arabia, Iran, Pakistan, Turkey, Indonesia)</i> | <i>Government Media/Civil Society Orgs Educators Moderate Religious Leaders</i> | <i>Policy Dialogues Grant Support Education Inter-Faith Dialogues Long Term Strategy Guidance Public Diplomacy Guidance Counter Terrorism/Proliferation Policy Guidance</i> | <i>Policy Guidance Capacity-Building Curriculum Reform Joint Declarations Memos to USG Published Reports</i> |
| Promote Better U.S.-Muslim World Relations | <i>Muslim World Countries/Diaspora Organizations</i> | <i>Policy Elites Scholars/Opinion Makers Lawmakers Media</i> | <i>US-MW Policy Forum “New Faces” Conference Peace Scholars Parliamentary Training Public Diplomacy</i> | <i>Recommendations US-MW Network Regular Exchanges</i> |
| Support Peacemaking and Post-Conflict Stabilization | <i>Israeli-Palestine Afghanistan Sudan Philippines India-Pakistan US-Iran</i> | <i>Government Lawmakers Religious Leaders Educators Civil Society</i> | <i>Training Facilitated Dialogues/Track II Rule of Law Guidance Inter-Faith Dialogues Education Workshops Grant Support</i> | <i>Trained Officials/NGOs Enhanced Contacts Policy Guidance Curriculum Reform Capacity-Building</i> |

Excludes Iraq activities resourced separately under the Emergency Supplemental Appropriations Act for Defense and for the Reconstruction of Iraq and Afghanistan, FY 2004 (P.L. 108-106).

SECTION III – Details of Programs

Education and Training—The Institute operates separate programs on Education (focusing on strengthening the ability of schools to teach about international conflict and conflict management) and Training (focusing on equipping international affairs professionals with skills, strategies, and tools in conflict mediation, negotiation, and resolution). Activities include Summer Institute for Secondary School Teachers; College and University Faculty Seminars; training practitioners in handling all phases of conflict, from preventive action to post-conflict stabilization and reconciliation; the National Peace Essay Contest; and teaching guides.

Grants and Fellowships—The Fellowship Program enables outstanding scholars, policymakers, journalists, and other professionals to conduct research on important issues concerning international conflict and peace. The Grant Program supports research, education, training, and the dissemination of information on international peace and conflict resolution to nonprofit organizations in the United States and abroad. Activities include the Jennings Randolph Program for International Peace Fellowships, Peace Scholar Dissertation Fellowships, Research Assistantships, and grants to cooperating partner institutions.

Policy Research—Through in-house Research and Studies, the Institute plays an important role in the development of strategy and policy for dealing with and providing policymakers creative options to prevent, manage, and resolve international conflicts such as Iraq, Afghanistan, the Philippines, and the Balkans. This includes fostering and facilitating "track two" (unofficial) dialogues among key parties in support of initiatives by U.S. policymakers, international organizations, and nongovernmental organizations.

Information and Public Affairs—The Jeannette Rankin Library Program supports the research, study, and teaching of international conflict management. Activities include the library's collection of 11,000 items dealing with conflict prevention, management, and resolution and diplomacy, negotiation and mediation, and digital resources. Public Affairs strives to promote the work of the Institute to the media, public, and government. The Institute's Publications Program publishes a broad range of products, from brief reports to books, concerned with various aspects of international conflict and its resolution.

Rule of Law—The Rule of Law Program builds upon and refines principles of the rule of law articulated by various international bodies and provides governments and policymakers with practical guidance for their implementation.

Post-Conflict Stability—The Institute builds consensus on policy and encourages greater understanding among Americans and the world of the U.S. role in promoting peace and reconciliation in zones of conflict abroad such as Iraq, Afghanistan, the Philippines, and the former Yugoslavia.

Religion and Peacemaking—The Institute enhances the capacity of faith communities to be forces for peace and the role of religion in world conflicts.

Virtual Diplomacy/Web—The Virtual Diplomacy Initiative helps scholars and practitioners understand and apply communication technologies in preventing, managing, and resolving international conflict. Through the web, the Institute helps train conflict management practitioners, gathers information from its audiences, encourages innovation and interactivity, and helps build a community of peacemakers around the world.

Program Support—These elements provide management support and administrative services Institute-wide: technology, human resources, administration, procurement, budget and fiscal operations, and Congressional liaison.