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July 5, 2011

Honorable Representative Kay Granger
Chairwoman
Subcommittee on State, Foreign Operations and Related Programs
Appropriations Committee
House of Representatives
Washington, DC 20515

Honorable Representative Nita M. Lowey
Ranking Member
Subcommittee on State, Foreign Operations and Related Programs
Appropriations Committee
House of Representatives
Washington, DC 20515

Dear Chairwoman Granger and Ranking Member Lowey:

As you prepare to mark up the FY 2012 Foreign Operations Appropriations bill, the United States Conference of Catholic Bishops (USCCB) and Catholic Relief Services (CRS) wish to share with you our funding priorities for poverty-focused humanitarian and development assistance. In supporting these life-saving services, we seek to promote integral human development, reduce poverty, and improve stability in the world's poorest countries and communities in morally appropriate ways. Doing so contributes to our long-term security, since poverty and hopelessness can provide a fertile ground for the growth of terrorism.

We acknowledge the difficult challenges that Congress faces to get the nation's financial house in order: fulfilling the demands of justice and obligations to future generations; controlling future debt and deficits; and protecting the life and dignity of those who are poor and vulnerable. However, the United States has a moral imperative to maintain its commitment to assist the poorest people in the poorest places on earth as they face the global impacts of the economic downturn, climate change, and food crisis.

Based on our overseas experience and relationships, the USCCB and CRS have identified critical poverty-focused development and humanitarian accounts that warrant robust funding (please see the attached table). We have also attached testimony submitted to the subcommittee earlier this year that provides more details on the priority programs we support. The enacted FY 2011 Foreign Affairs budget cut these life-saving programs by an average of 8.4% from FY 2010; further cuts would be disproportionate and life-threatening to the world's poorest people.

At stake are a wide range of life-saving and dignity-preserving activities including the following: agricultural assistance to poor farmers; medicines for people living with HIV/AIDS and vaccines for preventable diseases; assistance to orphans and vulnerable children; humanitarian assistance

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in cases of famine; emergency health care, shelter, and reconstruction in disaster-devastated places like Haiti; peacekeepers to protect innocent civilians in troubled nations such as Sudan and the Congo; and life-sustaining support to migrants and refugees fleeing conflict or persecution in nations like Iraq.

We welcome appropriate efforts to reduce our nation's deficit and debt, but we urge the Subcommittee to work with other members of Congress to be fiscally responsible in morally appropriate ways. First, insist on balanced contributions across the entire federal budget, including defense, revenue, agricultural subsidies, and fair and just entitlement reform. Second, give priority to those who are poor and vulnerable at home and abroad. Preserve life-saving services to the poor; if necessary, target other foreign affairs accounts not listed on the attached table.

The Subcommittee must cut with great care, eliminating only those expenses unrelated to basic human needs and development—for example, in middle or high income countries that are better able to cope with the consequences. Even within accounts not on the attached list, however, we urge that the needs of the poor be given priority. For example, in the Economic Support Fund, assistance for Sudan and Haiti and other poverty-focused programs must be retained. Of course, as with all accounts, we should subject poverty-focused services to careful scrutiny so as to eliminate waste and duplication.

As you consider appropriations language, we strongly support restoring the Mexico City Policy against funding groups that perform or promote abortion, and denying funding to the U.N. Population Fund which supports a program of coerced abortion and involuntary sterilization in China. It is also important to preserve the Helms Amendment, prohibiting U.S. funding for abortion, and the Kemp-Kasten provision, prohibiting support of organizations involved in programs of coercive abortion or involuntary sterilization.

The USCCB, CRS, and many others in the faith community committed to a Circle of Protection (www.circleofprotection.us) stand ready to work with leaders of both parties for a budget that reduces future deficits, protects poor and vulnerable people at home and abroad, advances the common good, and promotes human life and dignity.

Sincerely yours,



Most Reverend Howard J. Hubbard
Bishop of Albany
Chairman, Committee on International Justice and Peace



Mr. Ken Hackett
President
Catholic Relief Services

Encl. 2



POVERTY-FOCUSED DEVELOPMENT
and HUMANITARIAN ACCOUNTS
SUPPORTED BY USCCB and CRS



<u>FUNDING ACCOUNT TITLE (\$ in thousands)</u>	<u>FY 2010¹</u>	<u>FY 2011²</u>	<u>% Diff</u>
Child Survival and Maternal Health (including vaccines)	549,000	unknown*	
Vulnerable Children (orphans and displaced children)	15,000	unknown*	
HIV/AIDS (USAID Programs)	350,000	unknown*	
Other Infectious Diseases (neglected tropical diseases)	981,000	unknown*	
Development Assistance (including Feed the Future)	2,520,000	2,518,952	-0.04%
International Disaster Assistance	1,305,000	863,270	-33.8%
Transition Initiatives (post-conflict countries)	55,000	54,890	-0.2%
Migration and Refugee Assistance	1,850,000	1,686,620	-8.8%
Emergency Refugee and Migration Assistance	45,000	49,000	8.9%
Global Health and Child Survival (includes PEPFAR)	5,359,000	5,334,310	-0.5%
Millennium Challenge Account (development projects)	1,105,000	898,200	-18.7%
P.L. 480 Title II Food for Peace	1,690,000	1,497,000	-11.4%
McGovern-Dole International Food for Education	209,500	199,101	-5.0%
Contributions to International Peacekeeping Activities	2,221,500	1,883,931	-15.2%
Peacekeeping Operations	331,500	304,390	-8.2%
International Development Association (including debt relief)	1,334,500	1,232,530	-7.6%
Debt Restructuring	60,000	49,900	-16.8%
TOTAL	19,981,000		-8.4%

*Details unavailable, but preliminary figures show no cuts. (about 0.6% of federal budget) (versus -26.8 % proposed)

¹ FY 2010 Enacted Budget including Supplemental

² FY 2011 Enacted Budget



**Testimony of U.S. Conference of Catholic Bishops and
Catholic Relief Services on FY 2012 Foreign Assistance Budget
by Sean Callahan, Executive Vice President, CRS
April 2011**



On behalf of the United States Conference of Catholic Bishops (USCCB) and Catholic Relief Services (CRS), the relief and development agency of the Catholic Church in the U.S., I thank the Subcommittee on State, Foreign Operations, and Related Programs for this opportunity to testify on the FY 2012 Foreign Assistance Budget. We urge you to preserve \$20 billion in poverty-focused development and humanitarian assistance to the poorest people in the poorest places on earth as a moral priority in our nation's budget. (See accounts listed on page 2.) This testimony is based on the Church's moral teaching, our relationships with the Catholic Church throughout the world, and the professional experience of CRS in partnering with the U.S. government to save lives, reduce poverty and improve stability in morally appropriate ways.

Especially in a time of budget austerity and fiscal restraints, the poor have a special moral claim on limited financial resources. We support fiscal responsibility, but how this is achieved is morally significant. Shared sacrifice is one thing; it is another to make disproportionate cuts in programs that serve the most vulnerable. It is morally unacceptable for our nation to balance its budget on the backs of the poor at home and abroad. To be fiscally and morally responsible, the whole budget, including defense, entitlements and revenue, must be on the table; serious and just deficit reduction must give priority to the needs of poor persons at home and abroad.

The Catholic Church and other faith-based organizations are cost-effective partners in delivering poverty-focused international assistance. We leverage other resources and engage the extensive institutional presence of the Church in many developing countries where we have the confidence and trust of local populations. It is critical to preserve the important role of faith-based organizations, through conscience clauses that prohibit discrimination in funding as well as through other provisions that ensure their unique contribution in serving the poor.

Surveys show that the American public believes 25% of the federal budget goes to international assistance; they would prefer it be 10%. In fact the allocation is only 1 ½ %. We seek to preserve the one-third of this 1 ½% that funds poverty-focused development and humanitarian assistance. In the President's proposed FY 2012 budget these life-saving and life-changing accounts amount to only 0.6% of the total federal budget:

Child Survival and Maternal Health
Vulnerable Children (orphans, displaced)
HIV/AIDS (USAID Program)
Other Infectious Diseases
Development Assistance
International Disaster Assistance
Transition Initiatives
Migration and Refugee Assistance
Emergency Refugee and Migration Assistance

Global Health & Child Survival (PEPFAR)
Millennium Challenge Account
P.L. 480 Title II Food for Peace
McGovern-Dole Intl. Food for Education
Contributions to International Peacekeeping
Peacekeeping Operations
International Development Assoc. (debt relief)
Debt Restructuring

The Catholic Church views international assistance as an essential tool to promote human life and dignity, advance solidarity with poorer nations, and contribute to security throughout the developing world. Foreign assistance is not simply an optional commitment; it is a moral responsibility to assist “the least of these.” For over 65 years, Catholic Relief Services has partnered with the United States Government to implement some of these priority programs. We offer concrete evidence of a complementary partnership that extends the effectiveness and reach of taxpayer funds. U.S. private voluntary and faith-based organizations add volunteer time, technical expertise, private funds, plus a different kind of wealth—the “relational capital” derived from the support of millions of committed Americans here and local partners on the ground. Working together we implement sustainable projects for the poorest people.

Cuts to these priority accounts will result in the loss of innocent lives: persons with HIV no longer able to access life-saving anti-retroviral medications; refugees and victims of natural disaster at risk of starvation and hunger-related illnesses; and poor families unable to grow what they need to survive. Funding reductions will also disrupt existing programs mid-stream, undermining results and the capacity of local partners, and ultimately U.S. moral credibility.

Let me offer three brief examples to illustrate the negative effect of potential cuts to poverty-focused development and humanitarian accounts:

In January 2011, the people of southern Sudan voted to become independent in a referendum that--despite all predictions--was orderly and peaceful. The new country will require extensive support from the international community. U.S. poverty-focused international assistance will help vulnerable groups become economically stable and less vulnerable to conflict. A CRS Title II food security proposal, for example, will enable households in the troubled Jonglei region increase crop and livestock yields, strengthen markets and resist conflict. In Jonglei now, more than 83% of the population can only afford half of the food they require. Food assistance will help stabilize the crisis as farmers and families, returning after years of war, work to re-establish their farms. But all these efforts will be jeopardized if there are reductions in Development Assistance, Title II Food Aid or Sudan’s portion of the Economic Support Fund.

In South Africa, thousands have died from AIDS. Now, thanks to the Catholic Church and the U.S. government, HIV is not necessarily a death sentence. “I said goodbye to my family, because I was dying,” says Harriet Mthembu, who along with her husband recently started antiretroviral treatment at a Catholic church near Kosi Bay. “Now I can go to the garden and grow some vegetables and even sell some.” With funding from the President's Emergency Plan for AIDS Relief and assistance from a consortium led by Catholic Relief Services, the Southern African Catholic Bishops' Conference (SACBC) has brought care and treatment to 60,000 people, including 20,000 on lifesaving antiretroviral medications. The program in South Africa has been so successful that the SACBC is taking over responsibility for the grant money—one of the first full transitions to local partner management. But unthinking cuts in morally appropriate global health funding could disrupt this transition and cost people such as Harriet their lives.

Cuts to the Migration and Refugee Assistance (MRA) account would mean that the basic needs of vulnerable refugee populations, such as Iraqi refugees in the Middle East, would not be met. There are close to 2 million Iraqi refugees in surrounding nations who are unable to work

legally and are largely dependent upon assistance from the United States—in part through CRS—and other donor countries. Many, such as Iraqi religious minorities, have little prospect of returning home in the near future. Without this assistance, women and children could be forced into slave labor or prostitution in order to survive. Moreover, with unrest in Syria and Jordan—two host countries to Iraqis—now is not the time to cut assistance to these refugees.

Every day the morning news provides searing illustrations of how needed these resources are: rising prices for food which can force millions back into absolute poverty; the rapid worldwide spread of pandemic disease; and the continuous stream of natural and conflict-related disasters, from Haiti to Libya to Cote d'Ivoire. These events affect the poor the most. Not responding would constitute a moral affront. In today's world they can also threaten the U.S. economic interests and the security of all. "Savings" from programs supporting agriculture and food security activities, Title II Food for Peace assistance, disaster risk reduction and emergency preparedness could end up costing the U.S. taxpayer more over time. Responding to problems after they blow up requires more resources, and risks instability that spills over borders.

As Congress scours the President's budget proposal for places to cut, we urge you to examine programs other than those that serve the poorest persons in the poorest places. If foreign assistance cuts are required, the above list of accounts must be preserved, and great care must be taken to protect the poor even within accounts not on that list. For example, in the Economic Support Fund, assistance for Sudan and Haiti and other poverty-focused programs must be retained. In addition, the civilian capacity at the USAID requires adequate support to effectively carry out all these programs.

We strongly approve of efforts to restore the Mexico City Policy against funding groups that perform or promote abortion, and to deny funding to the U.N. Population Fund which supports a program of coerced abortion and involuntary sterilization in China. It is important to preserve the Helms Amendment, prohibiting U.S. funding for abortion, and the Kemp-Kasten provision, prohibiting support of organizations involved in programs of coercive abortion or involuntary sterilization. Addressing these concerns will broaden support for international aid.

Careless cuts to poverty-focused humanitarian and development assistance will cost lives. In times of fiscal restraint, shared sacrifice demands that the entire budget be examined, including defense and revenues. As the bishops of the United States said in 2011: "Maintaining a strong military is only one component of our national security. A much broader, long-term understanding of security is needed. In a world where one-fifth of the population survives on less than \$1 per day..., and where poverty, corruption, and repressive regimes bring untold suffering to millions of people, we simply cannot remain indifferent."

We urge you to support the total level of the President's budget request for the poverty-focused development and humanitarian assistance programs listed above.