



## **CRS Report for Congress**

# **The Peace Corps: Current Issues**

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### **Summary**

As it prepares authorization and State/Foreign Operations appropriations legislation in 2008, Congress will consider the FY2009 level of funding for the Peace Corps and related issues. This report will be updated as events warrant.

Generally viewed positively by the public and widely supported in Congress, the Peace Corps, the U.S. agency that provides volunteer skills internationally, has drawn congressional attention in recent years largely due to two issues — a 2002 Presidential initiative to significantly expand the size of the volunteer force and reports in 2003-2004 raising concerns regarding the safety and security of volunteers. Both issues stimulated legislative action with bills being approved by House or Senate. However, these legislative efforts died with the 108<sup>th</sup> Congress. In 2007, the 110<sup>th</sup> Congress is considering the President's annual funding request for the Peace Corps and new authorization legislation.

### **Background**

Founded in 1961, the Peace Corps has sought to meet its legislative mandate of promoting world peace and friendship by sending American volunteers to serve at the grassroots level in villages and towns in all corners of the globe. Living and working with ordinary people, volunteers have contributed in a variety of capacities — such as teachers, environmental specialists, health promoters, and small business advisers — to improving the lives of those they serve and helping others understand American culture. They also seek to share their understanding of other countries with Americans back home through efforts like the Paul D. Coverdell World Wise School program, which links serving volunteers with U.S. elementary school classrooms. To date, more than 187,000 Peace Corps volunteers have served in 139 countries. About 8,079 volunteers currently serve in 74 nations, the highest number since 1970. Ronald A. Tschetter, a former volunteer, is the current Peace Corps Director.

In addition to its basic two-year tour of duty, the Peace Corps introduced in 1996 a Crisis Corps, drawing on former volunteers to provide short-term (up to six months) emergency and humanitarian assistance at the community level with NGOs, relief, and

other development organizations. Hundreds of Crisis Corps volunteers have served in 40 countries, including post-tsunami Thailand and Sri Lanka. In September 2005, Crisis Corps volunteers were deployed to assist Hurricane Katrina relief, the first time in Peace Corps history that volunteers were used domestically.

## Congressional Actions

**Appropriations.** On February 5, 2007, the Administration presented its FY2008 foreign operations budget request to Congress, providing \$333.5 million for the Peace Corps, a \$13.9 million or 4% increase over the FY2007-appropriated level. In December 2007, Congress approved H.R. 2764, the FY2008 Consolidated Appropriations Act, providing (under the State/Foreign Operations portion, Division J) \$333.5 million for the Peace Corps, \$330.8 million following a .81% across-the-board rescission). H.R. 2764 was signed into law (P.L. 110-161) on December 26, 2007.

On February 4, 2008, the Administration requested \$343.5 million for the Peace Corps in its FY2009 budget, a \$12.7 million increase and about 4% higher than the FY2008 level.

**Authorization.** Despite repeated efforts during the past six years, Congress has not enacted a new Peace Corps authorization. The last Peace Corps authorization (P.L. 106-30), approved in 1999, covered the years FY2000 to FY2003. Comprehensive bills approved by the Senate in 2002 (both S. 2667 and S. 12) and by the House in 2003 (H.R. 1950) would have authorized appropriations that would double the size of the Peace Corps as well as institute a wide range of reforms and new programs. Annual Foreign Operations appropriations bills routinely waive the requirement of authorization of foreign aid programs, as the FY2007 continuing resolution measure did in the case of currently unauthorized foreign aid programs, including the Peace Corps.

The Peace Corps Empowerment Act, S. 732 (Dodd), was introduced on March 1, 2007, and hearings were held by the Senate Foreign Relations Committee on July 25, 2007. S. 732 is the most recent effort to authorize appropriations for the Peace Corps and make substantive changes to the program. It contains provisions that seek to strengthen the effectiveness of volunteers in the field, provide a larger role for volunteers in the administration of Peace Corps, and address volunteer personnel and benefit concerns. Many of these provisions are discussed below.

## Issues

**Peace Corps Funding.** Despite its apparent popularity in Congress and a 2002 expansion initiative by President Bush to double its size within five years, the Peace Corps has seen only a 22% increase in end of fiscal year volunteer numbers in the past five years. Meant to raise the number of volunteers from below 7,000 in 2002 to 14,000 in 2007, the initiative would have required an appropriation of about \$485 million by FY2007 — more than \$200 million greater than FY2002. In the end, however, Congress had to weigh whether sufficient funds were available vis-a-vis other foreign aid priorities (e.g., HIV/AIDS, terrorism, and Afghanistan) to warrant appropriating the amounts sought by the Administration, and annual expansion funding requests were rejected. The volunteer level is currently at 8,079.

S. 732 aims for a greatly expanded volunteer force by authorizing appropriations for the Peace Corps at the following levels — \$336 million for FY2008, \$380 million for FY2009, \$450 million for FY2010, and \$618 million for FY2011. However, according to the Peace Corps, the proposed authorization legislation would likely mean a further decrease in volunteer levels in FY2009, because implementation of the legislation's other provisions would incur additional costs of between \$25 and \$30 million, drawing down funds available for fielding volunteers.

### Peace Corps Budget: FY2002-FY2008

Fiscal Year	2002	2003	2004	2005	2006	2007	2008	2009
Request(\$ mil)	275.0	317.0	359.0	401.0	345.0	336.7	333.5	343.5
Appropriation (\$ mil)	278.7	295.1	309.3	317.4	319.9	319.6	330.8	
Total Volunteers	6,636	7,533	7,733	7,810	7,749	8,079	—	

**Source:** Peace Corps and CRS.

**Note:** FY2002-FY2008 figures reflect across-the-board rescissions and transfers from other accounts. Total volunteers are number at end of the fiscal year.

**Small Projects Funding.** Peace Corps volunteers generally are employed under the auspices of a developing country government agency, such as the Ministry of Education or Agriculture, or a non-governmental organization. In many cases, volunteers initiate their own small projects to address specific concerns they have identified in their villages or schools. Some of these projects have been supported through ad hoc efforts of the volunteer, but over time, more formal spigots of funding have been developed.

Currently, there are two key sources of small-scale funding for Peace Corps volunteer projects — funds raised for the Peace Corps Partnership Program by the Peace Corps Office of Private Sector Initiatives (OPSI) and funds provided through an agreement with the U.S. Agency for International Development (USAID). Volunteers do not have the authority to accept funds on behalf of the agency but can solicit funds from family and friends accepted through OPSI. In the last seven years, Peace Corps volunteers received, on average, 1,114 grants each year, worth a total of \$2.0 million in USAID funds annually (roughly \$1,795 per grant). In FY2006, OPSI raised \$1.4 million and supported projects that individually averaged \$2,952 in value.

Projects take a variety of forms. According to the Peace Corps, a \$619 grant for a village fish farm in Bolivia funded construction of a chain link fence, the cleaning of excessive algae from the pool, and introduction of 250 fish. A \$4,241 grant at a Thailand health clinic provided a ground-floor addition to ease access for senior citizens and the disabled.

S. 732 would enhance volunteer effectiveness in the field by providing volunteers with increased access to funding for these project activities. It authorizes 1% of the agency's own appropriations in each fiscal year to be allocated for such purposes. Each award of seed funds would be limited to \$1,000. In opposition, the Peace Corps argues that its introduction as a source of project income would possibly change the local

perception of the volunteer as someone working with the community to learn how to obtain its own funding sources to one that sees the volunteer as a source of cash.<sup>1</sup>

**Third Goal.** S. 732 also provides support to returned volunteer efforts to meet the so-called “Third Goal” of the Peace Corps Act — promoting understanding of other peoples on the part of the American people — by authorizing the Peace Corps to award grants to returned volunteers for educational and other programs meeting that goal. The bill authorizes \$10 million each year for this purpose.

Currently, Peace Corps sponsors several Third Goal activities, funded in total at about \$2 million in FY2007. These include the Coverdell World Wide Schools Program noted above; the Peace Corps Fellows Program, through which more than 4,000 returned volunteers have served as interns in high-need urban or rural U.S. communities; and the annual Peace Corps Week, in which thousands of returned volunteers visit schools and libraries around the country to present their Peace Corps experience.

**Volunteer Administration.** S. 732 would enhance the role volunteers play in program design and implementation, including site selection, training curriculum, and the quality and hiring of senior Peace Corps country personnel, by requiring the establishment of a mechanism at the country level for soliciting the views of volunteers on these issues. Further, a Volunteer Advisory Committee would be established in each country to make recommendations to senior personnel.

Currently, according to the Peace Corps, volunteers play a role in site selection by providing feedback on site safety, project success, and counterpart effectiveness. Volunteers are encouraged through interaction with senior staff to share their views. In addition, all posts have a Volunteer Advisory Committee. The Peace Corps argues that to legislatively require such committees would trigger the Federal Advisory Committee Act (FACA) and associated burdensome administrative requirements.

**Medical Screening.** S. 732 requires a number of personnel and administrative actions that might benefit volunteers. Among these are requirements to reform the medical screening process to make guidelines more transparent to prospective volunteers. Both applicants and health-care providers have reportedly found the guidelines confusing. Further, the bill would make Peace Corps provide full reimbursement for medical tests required of volunteers and applicants. Currently, applicants are provided only partial costs. According to the Peace Corps, this provision would cost the agency as much as \$10 million each year, versus \$1 million in current costs.

**Recruitment, Programming, and Support.** A continual concern for Congress over the years has been how the Peace Corps addresses recruitment, programming, and support of volunteers.

The recruitment of volunteers with appropriate skills and willingness to live in unfamiliar and sometimes uncomfortable conditions is essential to the overall mission of the Peace Corps. A substantial spike in applicants and those expressing interest in

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<sup>1</sup> Testimony of Ronald Tschetter to Senate Foreign Relations Committee, Subcommittee on Western Hemisphere, Peace Corps, and Narcotics Affairs, July 25, 2007.

applying since September 11, 2001, has made it easier for the Peace Corps to meet its recruitment goals. In FY2006, 12,242 applied to be volunteers (8,897 in FY2001), 5,148 were invited to join, and 4,095 became trainees (3,191 in FY2001). The agency, however, while adept at recruiting generalists and providing them with sufficient training to carry out useful assignments, has not emphasized the provision of highly skilled professionals, such as doctors, agronomists, or engineers, which, many argue, more accurately reflects the current needs of developing countries. Weighed against this view is the belief that the Peace Corps is an agency of public diplomacy as much as it is a development organization, and personal interaction and demonstration of U.S. values is as important as providing technical expertise. To accommodate more highly skilled personnel, some say the Peace Corps might have to change many existing practices, including methods of recruitment, training, programming, and perhaps even terms of service. However, in its Mexico program, launched in 2004, the Peace Corps has been able to provide more specialized technical volunteers offering skills in water and environmental engineering.

S. 732 addresses one aspect of this issue by requiring the doubling by end of 2009 of the number of volunteers with at least five years relevant work experience. It also requires the creation in the next three years of at least 20 sector-specific programs in at least 20 different countries for which volunteers with five years relevant work experience would be a requirement. In response, the Peace Corps argues that relevant work experience is a subjective term, and it would be burdensome both financially and administratively to set up such a “demonstration” program without causing problems for the regular Peace Corps program. Director Tschetter has made an objective of increasing the number of volunteers aged 50 and older, which, some would argue, might lead to more relevant work-experienced volunteers. Currently, less than 6% of volunteers are 50 or older. To encourage applications by older people, S. 732 would require Peace Corps to try to get active retiree health plans suspended while volunteers are serving.

The Peace Corps has been criticized in the past for providing inadequate programming and support of volunteers. This view was reflected in a 1990 Government Accountability Office (GAO) investigation (*Peace Corps: Meeting the Challenges of the 1990s*, May 1990, NSIAD-90-122). It noted that some volunteers had little or nothing to do or had spent six or more months developing their own assignments, without benefit of site visits by Peace Corps staff. The GAO attributed the programming problem to a failure of planning, evaluation, and monitoring systems. Since then, the Peace Corps maintains that it has addressed these weaknesses with systematic approaches to project development, annual project reviews, and increased opportunities for site visits and volunteer feedback. However, volunteer anecdotal accounts suggesting poor programming and staff support still occur, although their frequency and depth is not known. According to former Peace Corps Director Mark Schneider, the 2006 volunteer survey found that between 16% and 28% of volunteers were dissatisfied with regard to site selection, job assignment, and administrative support. One sign of volunteer dissatisfaction — the resignation rate — has improved in recent years, however, with 8.8% resigning in FY2006 versus 9.8% in FY2001.<sup>2</sup>

**Security Issues.** Because they live and work at the grassroots level in developing countries, Peace Corps volunteers appear to many Americans to be especially vulnerable to crime. Even before September 11, 2001, their safety and security had been a prime

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<sup>2</sup> Testimony of Mark Schneider to Senate Foreign Relations Committee, July 25, 2007; and *Peace Corps Congressional Budget Justification FY2008*, p. 218.

concern of the Peace Corps. The threat of anti-American terrorism has increased those concerns.

These fears were further raised in 2003 when the *Dayton (Ohio) Daily News* ran a series of reports highlighting — many former volunteers say exaggerating — the dangers potentially faced by volunteers, and suggested that the agency was failing in its obligation to provide adequate security. As a result, congressional hearings were held and legislation was approved by the House (H.R. 4060, June 2004) that sought to address some security concerns.

Safety statistics kept by the Peace Corps, both in absolute terms and when viewed in the context of incidents per 1,000 volunteer years to account for the rise in number of volunteers in this period, vary from year to year. Aggravated assaults went from 57 in 1993 (9 per 1,000 volunteer years) to 102 in 1999 (16 per 1,000 volunteer years) and then leveled-off to 87 cases (14 per 1,000 volunteer years) in 2002. There were 87 events in 2005 (12 per 1,000). Reports of rape rose from 10 incidents in 1993 (3.1 per 1,000 female volunteer years) to a peak of 20 (5.3 per 1,000 female volunteer years) in 1997, and decreased to 12 in 2002 (3.2 per 1,000 female volunteer years). There were 16 reported rapes in 2005 (3.9 per 1,000). However the numbers are viewed, since the number of events is small, there may be some question as to whether apparent trends are significant. These statistics also reflect volunteer reporting rates, which likely produce undercounting, and they do not demonstrate whether volunteers are any more or less susceptible to assault than Americans living in New York or Des Moines. When surveyed in 2006, 88% of volunteers reported that they felt usually or very safe where they lived.<sup>3</sup>

In general, the Peace Corps says that it gives the safety and security of its volunteers the highest priority. It has been particularly concerned in recent years with threats of terrorism, crime, and civil strife, and has responded by upgrading communications, testing emergency action plans, and other security measures. Evacuations and closure of missions to insure the well-being of volunteers in cases of political instability and civil unrest have constrained the growth of the Peace Corps. In the past ten years, volunteers have been evacuated from at least 27 countries for these reasons, including three attributed to the events of September 11 — Uzbekistan, Turkmenistan, and the Kyrgyz Republic (they have since returned to the latter two countries). Despite the appeal of using Peace Corps volunteers to convey U.S. culture and values directly to the grassroots of Islamic countries, many of these countries of U.S. foreign policy interest might be considered unsafe for Americans over the foreseeable future. Nonetheless, it should be noted that 20% of all volunteers, at this time, are serving in 15 countries with Muslim populations of over 40%. In general, the Peace Corps has argued that the close interpersonal relationship between volunteers and members of their host country community helps to make them safe.

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<sup>3</sup> Peace Corps, *The Safety of the Volunteer 2005*; and *Peace Corps FY2008 Congressional Budget Justification*, p. 214.