

MEMMO

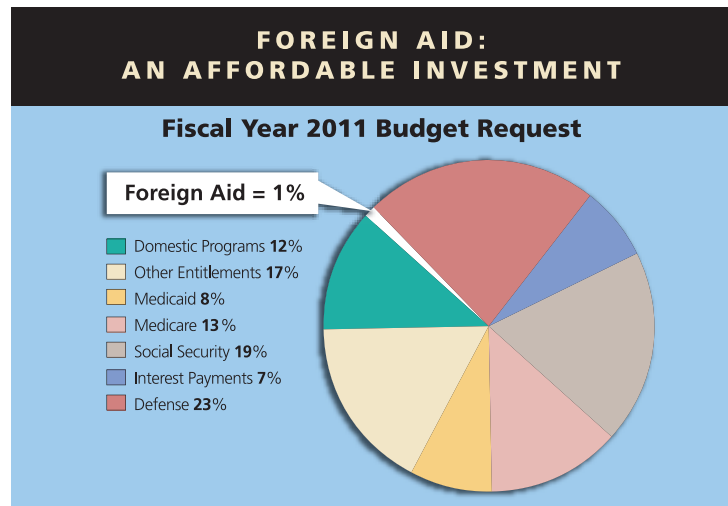
November 2010

Aid to Israel, Foreign Aid Funding Vital for U.S. National Security

President Obama's budget request for fiscal year 2011 includes \$3 billion in vital security assistance to Israel, which both the House and Senate Foreign Operations Appropriations Subcommittees have included in their respective versions of the foreign aid bill. Israel's aid is part of the president's overall request from Congress for \$58.5 billion in international affairs spending. At little more than one percent of total federal spending, these programs are an essential, cost-effective tool for promoting American interests abroad and supporting important allies such as Israel.

Security assistance to Israel, a key part of U.S. national security policy, is vital amid increased threats in the region.

- The president requested \$3 billion in security assistance for Israel as part of his fiscal year 2011 budget submission to Congress.
- This request reflects the third year of a 10-year security agreement reached by the United States and Israel in 2007. Subject to congressional approval, the plan pledges \$30 billion in security assistance to Israel over a 10-year period.
- This agreement was negotiated in order to meet the growing threats to Israel of a nuclear Iran, rocket attacks by Hamas and Hizballah and conventional threats from Syria by boosting U.S. security assistance to Israel during the next decade.
- Israel is forced to spend more as a percentage of GDP on defense than any other industrialized country in the world (close to 7 percent)—almost double what the United States spends—and needs to buy more sophisticated and expensive technologies to help defend its citizens. Israel spends 75 percent of its aid in the United States supporting American jobs.
- U.S. security assistance to Israel is the most tangible manifestation of American support for Israel and the best way to ensure that Israel maintains a qualitative military edge over its potential adversaries and feels secure in taking risks for peace.



The president's international affairs budget request is a critical tool of U.S. national security policy.

- Aid to Israel is part of President Obama's overall request for \$58.5 billion in international affairs spending for fiscal year 2011. This request represents a 2.8 percent increase over fiscal year 2010 levels including supplemental funding.
- In fact, most of this increase is slated for Afghanistan and Pakistan, which in previous years have been funded through emergency, off-budget supplemental bills. Even with the requested increase, the United States is spending just over 1 percent of the entire federal budget on foreign aid and diplomatic operations, one of the lowest percentages in the Western world.
- The president's budget rightly views foreign aid, such as security assistance to Israel, as part of overall "security spending," on par with defense and homeland security programs. The president said these vital programs should be exempt from his planned three-year freeze on discretionary spending.

Foreign aid serves American interests by promoting our humanitarian and democratic values.

- Foreign aid is an essential, cost-effective tool for promoting American interests abroad and supporting our vital allies such as Israel.
- Spending a little more than one penny of every federal dollar on preventing wars and the spread of terrorism, disease and poverty is a wise investment that ultimately saves the taxpayers money.
- A robust international affairs and foreign aid budget also reflects our humanitarian and democratic values by supporting programs to reduce the spread of HIV/AIDS and fighting poverty.
- Foreign aid is an essential component of U.S. national security strategy that advances economic development and political stability around the globe and helps keep threats from our shores by supporting international efforts to curb the proliferation of weapons of mass destruction, stopping narcotics trafficking, fighting terrorism and thwarting other criminal activities.
- By law, nearly all U.S. assistance must be spent on American-produced items. Thus, foreign aid creates jobs here at home.

Support for Israel's aid package and the president's overall international affairs budget request is essential.

- The Obama administration, like the Bush administration, understands that direct military spending is ineffective unless complemented by sufficient resources in civilian capacity building and civilian diplomatic operations of government.
- National security is the one area of government that is the sole responsibility of the federal government. Yet even with the recent modest increases, the international affairs budget is only one-twelfth of what the Pentagon spends each year.
- Defense Secretary Robert Gates has repeatedly emphasized the increasingly important role of the international affairs budget in furthering American national security interests. "There is a need for a dramatic increase in spending on the civilian instruments of national security," Gates has argued, noting that what the U.S. spends in this area is "disproportionately small" compared to the defense budget.