HOWARD H. BAKER, JR., TENN. JESSE HELMS, N.C. JOSEPH R. BIDEN, JR., DEL
S. I. HAYAKAWA, CALIF.
RICHARD G. LUGAR, IND.
CHARLES MC C. MATHIAS, JR., MD.
EDWARD ZORINSKY, NEBR. NANCY L. KASSEBAUM, KANS. RUDY BOSCHWITZ, MINN. LARRY PRESSLER, S. DAK.

CLAIBORNE PELL. R.I. JOSEPH R. BIDEN, JR., DEL. JOHN GLENN, OHIO PAUL E. TSONGAS, MASS. ALAN CRANSTON, CALIF. CHRISTOPHER J. DODD. CONN.

EDWARD G. SANDERS, STAFF DIRECTOR GERYLD B. CHRISTIANSON, MINORITY STAFF DIRECTOR

# United States Lenate

COMMITTEE ON FOREIGN RELATIONS WASHINGTON, D.C. 20510

December 2, 1982

#### MEMORANDUM

TO:

Members, Committee on Foreign Relations

THROUGH: Ed Sanders & Jerry Christianson

FROM:

Dave Keaney & Peter Galbraith

SUBJECT: Hearing on S. 3052, to amend the Board for International Broadcasting Act of 1973 to authorize an amended appropriation for FY 1983,

Monday, December 6th, 11 A.M.

#### Background

On July 19, 1982, the President announced his intention "to move forward consistent with budgetary requirements with a program to modernize our primary means of international communication, our international radio system." He stated that "the Voice of America, Radio Free Europe and Radio Liberty have been neglected for many years. Their equipment is old and deteriorating, their programming resources strained. Little has been done to counter the jamming that has intensified in recent years."

In accordance with the President's announcement, the Administration submitted for the urgent consideration of the Congress an amendment to the FY 1983 appropriation request for the Board for International Broadcasting (RFE/RL) and for the U.S. Information Agency (VOA) totalling \$43 million.

The U.S. Information Agency has enough excess authorization to cover this appropriation request through a reprogramming process (see Attachment 1). However, the Board for International Broadcasting will need an additional \$13,283,000 authorization. The following illustrates the relationship of the pending FY 1983 BIB appropriation to FY 1983 authorizations:

Pending Appropriation S. 2956		\$ 90,300,000
Proposed Appropriation Budget Amendment	TOTAL:	21,300,000 \$111,600,000
Authorization P.L. 97-241		\$ 98,317,000
Needed Authorization		13.283.000

The purpose of the \$21.3 million BIB appropriation amendment is to enable Radio Free Europe/Radio Liberty (RFE/RL) to enhance programming, improve audio quality and renovate broadcast facilities. The amendment would fund additional program staff, freelance contributions, news bureaus, monitoring stations, modernized text and data processing systems, and anti-jamming research.

This increased funding would permit an expansion of the RFE/RL staff from 1675 to 1750 permanent employees, primarily directed toward improving programming. This would include increased news gathering capacity, Soviet area research, and program capability in Ukrainian, Central Asian, Baltic and other nationality languages of the USSR.

Of the \$21,300,000 additional appropriation request, \$12,870,000 represents a one time cost. The following is a breakdown of the total additional request:

Additional personnel (including recruitment costs) \$3	,625,000
Free-lance programs, contract studies, panels 1	,250,000
News and program travel	700,000
Editorial and broadcast training programs	300,000
New monitoring stations and news bureaus	450,000
Text and data processing hardware and software 2	,500,000
Enhanced audience research	350,000
	,850,000
Broadcast quality program lines and circuits 1	,275,000
Transmitter site improvements	,870,000
New security systems	,200,000
Anti-jamming and DBS research	350,000
Munich building improvements and new equipment 1	,000,000
Estimated early retirement costs	580,000

A more detailed justification is attached to this memo (see Attachment 2).

#### SUGGESTED QUESTIONS

1. Reason for Late Submission. In his "Captive Nations" speech of July 19, 1982, the President announced his intention to modernize the Radios.

Why has the Administration waited for the last three weeks of this Congress to request this additional funding?

What is so urgent in this submission that it cannot be taken up as a supplemental authorization early next year?

2. <u>Budget Ceiling</u>. According to the Senate Appropriations Committee, the State, Justice, Commerce appropriations bill is \$16 million more than that Committee's budget outlay allocation ceiling and only \$2 million below its authority ceiling. Therefore, the passage of this funding request will clearly exceed the President's budget ceilings.

Where does the Administration intend to make offsetting cuts? Will such cuts offset the increases requested for BIB? If not, what is the justification for exceeding the President's budget?

3. German Pension Plan. The management of Radio Free Europe/Radio Liberty, Inc., has been informed by the Swiss Life Insurance Company that the Radios' German Pension Plan is underfunded by approximately \$9 million. According to your presentation materials, 42 percent of your program staff is over 55 years old and approximately 200 exile East European and Soviet programmers are due for retirement before 1990.

Are any of the requested funds going to be used to fund the German Pension Plan? If not, what is being done to fund the German Pension Plan?

How do you expect to deal with the increasing problem of the retirement of key personnel?

4. Additional Personnel. Approximately \$3.1 million of BIB's additional funding request is earmarked to hire 75 new employees. Well over 50 percent of BIB employees reside in Munich, Germany. The additional cost of providing housing and cost of living allowances for these employees has at times been extremely expensive to the Radios.

How much do the Radios spend annually on employee housing and cost of living allowances?

How many of the 75 new positions to be funded from this additional authorization will be located in the United States?

In light of the unemployment figures in the United States, shouldn't a greater effort be made to hire employees in the U.S. and to transfer jobs to the U.S.?

5. Programming Versus New Equipment. The President stated in his July 19, 1982 speech that the Radios' (VOA and RFE/RL) "equipment is old and deteriorating, their programming resources strained. Little has been done to counter the jamming that has intensified in recent years."

Could you provide the Committee with a description of the state of the radio equipment now being used by Radio Free Europe and Radio Liberty?

Would new or more modern equipment assist the Radios in overcoming some of the Soviet jamming? If so, why is so little of this additional request (approximately \$7 million) being allocated for studio modernization and transmitter site improvements?

6. Monitoring Programs. Previously, the Radios monitored their programs to see if they conformed to stated U.S. foreign policy.

Do the Radios currently monitor their programs to see if they are consistent with U.S. foreign policy? How much of your budget is spent for this activity?

7. Policy Studies. BIB's presentation materials indicate that \$250,000 of the requested authorization will be allocated for contract policy studies and expert panels involving leading Western specialists on the USSR and Eastern Europe.

How do the Radios utilize such studies? On what policy issues will such studies be undertaken? Shouldn't these types of studies be undertaken by USIA in its private sector programs?

8. News Bureaus. Your presentation materials indicate that RFE/RL will be opening two new bureaus in the Middle East and Southeast Asia and the Far East.

Could you explain why you believe that these new bureaus are necessary?

9. RFE/RL Salaries and Benefits. Do the salaries of any RFE/RL employee, including the President, exceed the Federal ceiling? If so, which employees receive more than the ceiling and how much more do they receive? What is the justification for this?

Do the post and housing allowances for any RFE/RL employees exceed those that would be available to U.S. diplomats at the comparable salary level stationed in the same post? If so, which employees receive more than the comparable State Department allowances and how much more? What is the justification for this?

ATTACHMENTS

#### U. S. INFORMATION AGENCY

# Relationship of Pending FY 1983 Appropriations to FY 1983 Authorization (millions of dollars)

	<u>Item</u>	Authorization P.L. 97-241	Pending Approp. S. 2956*	Auth. Minus Approp.	Proposed Authorization Reprogramming
1.	Pending Appropriations:				
	A. Per P.L. 97-241, Sec. 112 (b) (0'seas infl., pay raises from FY '82, etc.)		\$ 24.1	\$ 5.9	\$
	B. Per P.L. 97-241, Sec. 302 (1) Salaries & Expenses (dollar & SFC) - except A above	480.8	471.1	9.7	<b>-7.</b> 5
	(2) East-West Center	18.2	18.0	.2	2
	(3) Radio Construction	40.0	25.0	15.0	-15.0
	(4) Exchanges (special use per Sec. 305)		14.6	5.4	
	Sub-total, Sec. 302	559.0	528.7	30.3	-22.7
	Total, Pending	589.0	552.8	36.2	-22.7
2.	VOA Amendment		22.7	-22.7	22.7
	Grand Total	589.0	575.5	13.5	

<sup>\*</sup> The House Appropriations Committee has approved an FY 1983 total of \$538.2 million for all USIA accounts in H.R. 6957. The Senate Committee's recommendation of \$552.8 million, which adds \$14.6 million to the House level for enhanced exchanges, is reflected here. Thus, there is room in the FY 1983 authorization to cover VOA needs by reprogramming even if the higher pending Senate appropriations level is approved.

#### Additional Personnel

\$3,625,000

\$3,150,000 is estimated in FY 1983 for compensation of 75 additional employees, which would bring the total to 1,750. Some 30 of the new positions would be in Soviet area research and Radio Liberty non-Russian nationality service programming, 15 in the Central News Division (including six at new bureaus in the Middle East, Southwest Asia and the Far East), eight to bolster Radio Free Europe language desks. In addition, the request would provide for technical monitors at new stations in Scandinavia and Turkey, electronic text and data processing specialists, additional security officers, several middle-management specialists and support personnel.

\$175,000 is estimated for recruitment and interview travel. \$300,000 is allotted for "talent opportunity hires," limited double-slotting and summer intern programs -- all aimed at accelerating the rejuvenation of staff. In 1981, the GAO reported that 42 per cent of program staff were over 55 years of age; some 200 exile Soviet and East European programmers are due for retirement before 1990. This program would permit management the flexibility to screen, audition and train a broad variety of young emigrants for upccming vacancies.

# Free-lance program funds

\$1,250,000

\$250,000 of this sum would be allocated for contract policy studies and expert panels involving leading Western specialists on the U.S.S.R. and Eastern Europe.

An increase of \$1,000,000 in funds available for free-lance contributions would enable RFE/RL rates to become competitive once again -- they have not been significantly raised in a decade -- and thus attract a broader and more distinguished group of contributors in Western Europe and the United States.

# News and program travel

\$700,000

The aim is a sharp increase both in live coverage by language desk personnel and on-the-spot coverage by Central News correspondents outside Munich and existing field bureaus. Such funds have been severely restricted by budgetary stringencies in recent years.

# Training programs

\$300,000

More than \$100,000 will be allotted to intensive English-language training programs for Soviet and East European exiles, to facilitate their handling of English-language news and research materials. A similar sum will provide for large-scale training of program and area research personnel in electronic text and data processing, in order to be able to convert feature script and area research operations to the new technology. The remainder will provide for specialized training in broadcast techniques for selected exile programmers

## Monitoring stations and news bureaus

\$450,000

To broaden and diversify RFE/RL news coverage, new bureaus will be opened in the Middle East, Southwest Asia and the Far East. New monitoring stations in Finland and Turkey would provide both technical monitoring of the RL signal to the U.S.S.R. and content monitoring of low-power regional broadcasts in the northwestern and south-central regions of the U.S.S.R. (Leningrad and the Baltic States; Soviet Central Asia and the Caucasus). This sum is for necessary start-up costs, including all required communications equipment.

## Text and data processing

\$2,500,000

RFE/RL began using computers for financial operations in the late 1960s; in 1975, visual display editing was installed for central news operations. Both these systems were upgraded in 1981, but both program scripts and area research materials are still prepared by pre-electronic means. To extend and modernize the system, the following are needed:

--Word processing hardware (30 terminals and printers, five 11/44 computers) and accompanying software to extend the system to feature scripts and area research (\$2,045,000).

--New financial hardware and software program packages would enable more rapid budget preparation and financial analysis (\$200,000).

--Computer equipment for a Frequency Propagation Report system (\$30,000); a personnel information system (\$88,000); and a Disk Drive and Core memory for the current computer configuration (\$99,000).

Specialized personnel and employee trainee programs are provided above to assist installation and operation of the new technology.

# Enhanced audience research

\$350,000

An additional \$100,000 is needed to expand the number of interviews with Soviet travelers to 2,400, which would permit annual audience estimates, and to contract with Turkic-speaking interviewers to meet with travelers from Soviet Central Asia. Another \$200,000 would enable an all-out effort to interview 1,000 non-Russian travelers, principally from the Ukraine and the Baltic States. \$50,000 would be earmarked for increasing the Bulgarian sample, which has been inadequate, and for improved field controls on interviews with East European travelers.

The building which houses the RFE/RL Munich Broadcast Center was designed as a hospital during World War II. It contains 22 studios, which are used by the 20 RFE/RL language — services for their broadcasts. Sixteen of these were built in the early 1950s; the remaining six were built in 1976, but are using equipment much of which is more than 15 years old. Although a few modern consoles and new tape-recorders have been funded in recent years, the studios themselves are antiquated. Many have windows to the outside street noise. Accoustical treatment is poor by today's standards. None are air-conditioned. Modernization of the entire studio complex, including new equipment, sound proofing and accoustical treatment will enhance the clarity of audio, which is particularly important under conditions of jamming.

## Broadcast Quality Program Lines

\$1,275,000

To improve RFE/RL audio quality, these funds will provide for broadcast-quality program relays from Munich to Gloria (\$1,000,000); high-quality circuits from West European bureaus to Munich (\$100,000); and an additional satellite circuit from the U.S. to Munich (\$175,000). The finest possible signal is required in conditions of jamming.

# Transmitter site improvements

\$1,870,000

These funds would provide a number of critical improvements at RFE/RL technical sites as well as assure the carrying-out of essential maintenance of buildings, roads and antenna fields -- maintenance which has been deferred in most cases for 10 years and in some for 20.

The major improvements include:

--Further automation at the Schleissheim monitoring station (\$107,000).

--Completion of the Maxoquiera-Gloria microwave link (\$220,000).

--Diplexing of antennas at Pals (\$125,000) and Biblis (\$50,000).

--Purchase and installation of 12 new multichannel logging recorders for the transmitter sites (\$200,000) and replacement of three old reference recorders (\$100,000).

--Purchase of frequency synthesizers (\$101,000) and replacement of combines (\$55,000) at Gloria.

-- Installation of a telephone system at Holzkirchen (\$10,000).

Among the most urgent of the maintenance projects is re-painting of the antenna towers (\$176,000) at Lampertheim, which may present an air traffic security problem. Improvement of antenna switch fields, as well as long-deferred building repairs at all sites, are also provided.

The bombing of the Broadcast Center on February 21, 1981 prompted an indepth reappraisal of security needs at all RFE/RL European installations. A variety of security ... measures was implemented in FY 1981 and FY 1982. To complete the recommendations of qualified experts, the following additional steps are required:

--Installation of closed circuit TV, perimeter alarms, fences, smoke/fire alarms, and Mylar Protection for windows to protect the "core" of each site in Germany (\$355,000).

-- A computer-controlled entry system to provide limited access to sensitive/restricted areas in Munich (\$100,000).

--Limited protection at antenna fields at Biblis, Lampertheim and Schleissheim, with strategically placed microwave systems, fences, etc. (\$100,000).

-- Following completion of the closed-circuit TV and perimeter alarm systems at Gloria and Pals transmitter sites, additional security fencing will be built around strategic antenna fields; they will be illuminated and alarmed with electronic intrusion equipment (\$610,000).

--Installation of an intercom system connected with the fire alarm system, plus emergency lights in studios, in Munich (\$35,000).

#### Anti-jamming and DBS research

\$350,000

\$300,000 is sought to enable the Board and RFE/RL to participate, together with USIA and VOA as well as other agencies, in Government-wide research into jamming and anti-jamming techniques, as well as research and development to be conducted by NASA in feasibility studies of using direct broadcast satellites for international broadcasting. \$50,000 is allotted for B.I.B. and RFE/RL participation in preparations and research for the World Administrative Radio Conference on high-frequency broadcasting scheduled to begin in 1984.

## Broadcast Center Refurbishing

\$1,000,000

In addition to reconstruction of the Munich studio complex, the Broadcast Center requires roof repairs, repainting, canteen renovation and new office equipment; \$360,000 is provided for these purposes. Modernization of the electric system (\$160,000), replacement of old typewriters (\$225,000), new compact shelving (\$140,000) and new printshop equipment (\$140,000) are also foreseen.

# Early retirement costs

\$580,000

In each of the past three years, 20 to 25 senior RFE/RL employees have chosen to retire before the age of 65. Under the company's labor contracts, they are entitled to notice and severance benefits averaging \$47,000. The original FY 83 request was \$580,000 under the currently estimated need for such funds.