

FIRST-STEP RECOMMENDATIONS FOR THE PRESIDENT-ELECT TO ELEVATE AND STRENGTHEN DEVELOPMENT AND DIPLOMACY

There is a strong, bipartisan consensus that America's national security and foreign assistance apparatus is outdated and inadequate to meet the international challenges facing America today. With America's security and prosperity more linked than ever to the prosperity and security of other nations and their people, our foreign policy must address the threats posed by global poverty, infectious disease, poor health care and sanitation, and lack of education and opportunity in developing countries and fragile states around the world. Addressing these challenges and restoring America's global leadership require a "smart power" approach that strengthens and modernizes our civilian investments in global development and diplomacy, alongside a strong defense. The importance of this "3D" strategy is endorsed by Defense Secretary Robert Gates, dozens of current and former top military commanders, many of our nation's top foreign affairs and national security experts, along with hundreds of business, civic, faith and political leaders around the country.

President-elect Obama recognizes these challenges, and we applaud him for his far-reaching and detailed platform to elevate and strengthen U.S. development assistance and diplomacy as critical tools of U.S. foreign policy and national security strategy. President-elect Obama's commitments include:

- ◆ Leading "an effort to modernize our foreign assistance policies, tools and operations," including a development agency with "the highest caliber leadership [that] . . . plays a central role in the formulation and implementation of critical development and related foreign policy strategies."
- ◆ A plan to "double our annual investments in foreign assistance to \$50 billion . . . and ensure that these new resources are invested wisely with strong accountability measures and directed towards strategic goals."
- ◆ Embracing the Millennium Development Goal of cutting poverty in half by 2015.
- ◆ Increasing support for global HIV/AIDS, TB and malaria, and eradication of malaria deaths by 2015.
- ◆ Investing in expanding Foreign Service and USAID personnel and Peace Corps volunteers.

We look forward to working with the new Administration to advance President-elect Obama's vision to elevate and strengthen our "smart power" tools of development and diplomacy. Below are our first-step recommendations for the transition team to advance a more balanced and effective approach to enhancing our security.

PERSONNEL:

- 1. Choose a Secretary of State Committed to Prioritizing Development.** The next Secretary of State should be committed to prioritizing global development as a critical element of our foreign policy. He or she should support an elevated, empowered and streamlined independent development agency with more robust budget and staffing.
- 2. Elevate Leadership on Development with Two Tandem Appointments:**
 - **Give joint responsibility for U.S. Agency for International Development (USAID), the Millennium Challenge Corporation (MCC) and the President's Emergency Plan for AIDS Relief (PEPFAR) to one appointee.** This person could be confirmed as USAID Administrator, and be named as interim head of MCC and PEPFAR – an important step toward greater coherence without prejudging a decision of ultimate organizational structure or consolidation. This person should be a visionary leader with strong development experience and stature, and should be announced and confirmed as close as possible to the Secretaries of State and Defense to demonstrate the vital importance of development to our foreign policy and national security. The position should have budget authority for these three specific programs and oversight of the responsibilities now housed with the State Department's Director of Foreign Assistance.



- **Create a new Deputy National Security Adviser for Development.** The position would be responsible for White House and interagency development policy coordination and coherence.

PREPARING BUDGET:

- 3. Incorporate Increased International Affairs Budget in FY10 Request.** Demonstrate a commitment to fulfill the pledge to double foreign assistance by requesting a robust FY10 International Affairs Budget. The budget should also reflect the new Administration's priority of rebuilding our civilian capacity by adequately staffing and training a new cadre of diplomats and development experts.

POLICY:

4. Priority Policy Initiatives Should Include:

- **Develop a National Strategy for Global Development.** Coordinated by the new National Security Council deputy recommended above, a Global Development Strategy should be developed as an essential component of our overall National Security Strategy. The goal is to provide a clear vision of how global development serves our national interests and ensure coherent policy guidance across Executive Branch Agencies.
- **Explore Creation of Independent U.S. Development Agency.** The goal should be a capable, independent development agency that best consolidates programs, enhances policy and operational coherence, and increases the efficiency and effectiveness of our foreign assistance investments. Options include an independent, Cabinet-level agency, such as the UK Department for International Development; a new, independent non-Cabinet agency, such as the Overseas Private Investment Corporation (OPIC) or Ex-Im Bank; or a sub-Cabinet agency, along the lines of a modernized, empowered USAID.
- **Engage Congressional Leaders on a Shared Vision of Foreign Assistance.** Work with Congress to enact a new Foreign Assistance Act (FAA) that meets today's realities. A new FAA should outline the key objectives for U.S. foreign assistance, streamline decision making, clarify authorities and responsibilities, and strengthen transparency.
- **Expand Human Resources for Diplomacy and Development.** As President-elect Obama has said, elevating development and diplomacy requires hiring, training and supporting a substantial new cadre of Foreign Service and development experts. The administration should develop a plan to increase the size, improve the training and provide the flexibility and incentives to attract top-notch individuals to these tasks.
- **Review Civilian and Military Balance and Coordination.** Given the increasing need for the United States to respond rapidly and flexibly to events around the world, the transition team should begin a review of the appropriate balance between civilian and military authorities, resources and roles, particularly in post-conflict regions, and pursue models for more effective cooperation.

These recommendations were informed by the Modernizing Foreign Assistance Network, American Academy of Diplomacy/Stimson Report, the Smart Power Commission, Commission on Weak States and discussions with hundreds of foreign policy and national security experts, as well as business, faith-based, academic and community leaders.