Towards a U.S. Global Development Strategy?

*Brian Atwood*

Alexandra de Hoop Scheffer – As Administrator of USAID during the Administration of President Clinton, how would you characterise the relationship between USAID and State and between USAID and Defense? To what extent do the Secretary of State and the Secretary of Defense influence USAID’s agenda?

Brian Atwood – The relationship among all the foreign affairs agencies was a bit strained in the Clinton Administration because of budget pressures and internal and external efforts to reform the institutional model to conform to the needs of the post-Cold War world. The foreign affairs budgets were being trimmed by Congress as part of the “peace dividend” widely

Brian Atwood is the dean of the Hubert H. Humphrey Institute for Public Affairs at the University of Minnesota and served as Administrator of the US Agency for International Development (USAID), during the Clinton Administration, from 1993 to 1999. This interview was conducted prior to President Obama’s announcement of his Global Development Policy at the United Nations in September 2010, but the outline was as predicted.
promoted by political leaders of both parties. Unfortunately, the cuts were made on the civilian side and not the military side. The State Department in particular felt these budget pressures and one response was to consolidate the other agencies under the Secretary of State. As leader of the State transition, I reviewed studies by career officers that recommended merging the operations of the United States Information Agency (USIA was responsible for public diplomacy and cultural and exchange programs), and the Arms Control and Disarmament Agency (ACDA was an independent voice for arms control that often offset the Pentagon and State’s Political-Military Bureau). We specifically did not recommend merging the U.S. Agency for International Development (USAID) primarily because its mission only tangentially related to diplomacy. Its function was to manage long range development programs, and its management structures (especially procurement and financial management) were distinctive and very complex.

During the first two years, USAID underwent major internal reform under the “reinventing government” initiative led by Vice President Gore. This was my choice after having become the Administrator of USAID in May of 1993. In 1994, when Congress was taken over by Republican Party leadership, efforts were made to merge USAID into State. I resisted those efforts and was supported by Vice President Gore after his staff had studied the same issues my transition team studied in 1992. During this period, USAID had independent budget authority and its director reported directly to the President. I proposed reverting back to the system that had existed throughout most of USAID’s history wherein the Administrator reported to the Secretary of State. This was the best compromise, I believed, as it would avoid a full merger of operations under lower level State Department bureaus and it would maintain the budgetary independence of the Agency.

I felt very little pressure from State and DoD to influence our long-term programs in the developing world. However, in the cases of Central and Eastern European and the former Soviet Union, Congress appointed “coordinators” at State who
had presidential authority under an Executive Order. These coordinators were for the most part career diplomats who did not have development backgrounds. This system interfered with USAID’s management systems and created confusion as to who was in charge.

The Defense Department worked closely with USAID on humanitarian response missions and generally took direction from the Agency’s leadership. In fact, the Administrator, as happened recently in the case of the Haitian earthquake, was placed in charge of the inter-agency task force assigned to coordinate the response. The active involvement of the military in what they call “stability operations” did not happen until the Bush Administration. This unfortunate change of policy followed decisions to place the military at the center of “nation building” exercises, a policy strongly opposed by candidate Bush, but embraced by him after the commencement of wars in Afghanistan and Iraq.

A. d. H. S. – Under the previous administration, the Defense Department had been increasingly assuming roles usually performed by the State Department and USAID, leading to what many critics call the « over-militarization » of U.S. foreign policy. Do you think this trend is reversible and how? Is the budget gap between military and civilian spending (e.g. the CERP in Iraq and Afghanistan receive much more funds than USAID) the main issue, or is the capacity gap the main problem?

B. A. – The adoption by the U.S. military services of “stability operations” as part of their military doctrine equal to combat is very troubling. This has led to efforts by the military to undertake development programs in Africa and to play a major role in post-conflict or conflict states in “nation building”. The CERP program in Afghanistan is a good example of the issue. Much of this activity occurred because the civilian agencies did not have the capacity to make an impact, and in fact could not manage to operate well in insecure areas even if such capacity existed. Many retired military officers and Secretary of Defense Gates support building back civilian capacity and oppose using the military in this way. However,
“stability operations” are quickly being embraced by younger officers as part of their mission. This will not be easily reversed. My view is that the military cannot achieve sustainable development results as they are an obvious manifestation of U.S. security interests. Development requires a partnership at the governmental and civil society level. It requires trust that personnel in uniforms carrying weapons cannot achieve. As civilian capacity is increased as is happening in the Af/Pak conflict, I believe that the military will move back to its security/combat role, but this will require leadership from the top.

A. d. H. S. – The Congress traditionally shows a lack of confidence in USAID’s capacities and you successfully defeated a campaign by Senate Foreign Relations Committee Chairman Jesse Helms to merge USAID into State. What were the Congress’ arguments at that time and do you think the Congress’ attitude towards USAID is changing?

B. A. – Senator Helms is no longer dominating the Foreign Relations Committee. That Committee and its House of Representatives counterpart are now being led by enlightened foreign affairs experts – John Kerry, Richard Lugar and Howard Berman. Both committees have proposed new legislation to strengthen USAID and to give the Agency a new mandate. Helms’ felt that merger with State would save money (no study confirms this, assuming the need to maintain a development program). I suspect that Senator Helms wanted to kill the aid program as his concept of foreign assistance was that either the U.S. should be making gifts for humanitarian purposes, or using aid to influence the behavior of other nations. He did not accept the idea that assistance was to be for the purpose of helping people help themselves.

A. d. H. S. – In 2001, you served on UN Secretary General Kofi Annan’s Panel on Peace Operations and you have been a strong promoter of developing a “culture of prevention” within the U.S. government: are the main obstacles institutional or cultural or both? Can development prevent conflict?
B. A. – I continue to believe that the U.S., working cooperatively with others can create an international “culture of prevention”. This means accepting that poverty contributes to the breakdown of social cohesion and can contribute to violent conflict. We spend so many resources on crisis management when a few additional resources on prevention – through both diplomacy and development could help a society to repair its fault lines and embrace peaceful co-existence. This will require an alignment of analysis, diplomacy and investment in development. That alignment does not exist today. We tried to define that in the Brahimi Report and I believe that report could be a blueprint for both the UN and national governments. The problem is one of political will. It is much easier to generate commitment and resources for crises than for preventing them.

A. d. H. S. – Does the concept of « defense, diplomacy and development » make any sense to you? Do you have in mind an example of a successful application of the “3Ds” in pre- or post-conflict settings?

B. A. – Each of the “3-D” missions make sense on their own. The real question is how they work together. That is easiest to define in a post-conflict situation where diplomacy to end the conflict, security to deter the “lingering forces of war”, humanitarian aid to save lives, transitional aid to create reconciliation and long-term aid to consolidate the peace are all needed. The best part of the “3-D” concept is the commitment to “elevate development”. We are waiting to see that happen.

A. d. H. S. – USAID has been regularly and still is outsourcing important parts of its missions abroad to private contractors: to what extent does it impede or reinforce USAID’s missions?

B. A. – There are good contractors and bad. USAID needs more oversight of contractors, better prior planning and a more strategic outlook in cooperation with partners in the developing countries. This is part of the capacity building within USAID that is going on now under the dynamic leadership of Dr. Rajiv Shah. Sweeping condemnations of
“contractors” by leaders who have never tried to implement an aid project is not contributing much to the discussion. The best grantees or contractors employ citizens of the host nation and take advantage of their cultural sensitivity and local knowledge. What is then needed is honest and penetrating measurement and evaluation of programs.

A. d. H. S. – What do you expect from Barack Obama’s development strategy and QDDR?

B. A. – If one considers the statements of President Obama, Secretary Clinton and Administrator Shah, one must have very high expectations. The delay in releasing the Presidential Study Directive (PSD) and the Quadrennial Diplomacy and Development Review (QDDR) has raised those expectations even higher and frustrated those who are awaiting even more leadership. Based on what I know, we will hear a call for a global development strategy that will target poverty and call for major interventions to address infectious disease, world hunger, gender equality, climate change and its impact of development and weak governance systems. A signature of the Obama presidency has been its focus on education. This has thus far been a domestic focus, but I expect that it will be a global one as well. I believe that the QDDR will call for a stronger alignment of development and diplomacy while at the same time elevating USAID and its mission. Secretary Clinton was my closest ally in the 90’s, and she cares deeply about the development mission. The key, beyond the call for specific interventions, is the explication of a comprehensive and coherent development strategy that includes sound principles for development cooperation and an understanding that poverty is best combated when development policy is viewed along with finance, trade and environmental policies.