

## KEY QUESTIONS

### the big six

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## What are the United States' priorities for global development?

**Trump administration links development assistance to US national security and economic interests; development finance and economic development are key focus areas in FY2019**

Overarching priorities for US development policy are set by the White House. Under former President Barack Obama, global development was elevated to a core component of US international engagement in the 2010 Presidential Policy Directive on Global Development (PPD-6), along with diplomacy and defense. Under President Donald Trump, priorities are shifting to be more strongly linked to national interests. The US National Security Strategy, published in December 2017, and the president's FY2019 budget request both reinforce the topline shift that was first presented in the president's FY2018 budget request: advancing national security and economic competitiveness and promoting economic growth. Additionally, the US National Security Council, the principal forum used by the president for consideration of foreign policy matters, is currently conducting a foreign assistance review which could further alter priorities and means of implementation.

Further development priorities are outlined by the US Department of State (State Department), responsible for foreign policy, and the United States Agency for International Development (USAID), the development assistance agency, in the Joint Strategic Plan for FY2018-2022: 1) Protect America's security at home and abroad, 2) renew America's competitive advantage for sustained economic growth and job creation, 3) promote American leadership through balanced engagement, and 4) ensure effectiveness and accountability to the American taxpayer. Within these goals, other dimensions of US foreign assistance are emphasized: counter-terrorism, health, economic growth, US economic security, private-sector partnership, and humanitarian relief.

In February 2018, in a briefing about the President's FY2019 budget request, Deputy-Secretary of State John Sullivan cited the following related priorities for his department: US prosperity; economic and development assistance, including for refugees and humanitarian crises; water; sanitation; health; and food security.

In FY2019 and FY2020, focus will be on the launch of the new development finance corporation (DFC), a development finance institution which combines the Overseas

**United States Department of State and USAID, Strategic Plan 2018-2022 – Strategic goals and objectives:**

- **Protect America's security at home and abroad:** Counter instability, transitional crime, violence and terrorism that threaten US interests
- **Renew America's competitive advantage for sustained economic growth and job creation:** Promote American prosperity through bilateral relationships, international institutions, and educated and productive populations in partner countries
- **Promote the transition to a low-emission, climate resilient world while expanding global access to sustainable energy:** Transition nations from assistance recipients to partners, engage in international fora and partnerships with the private sector and civil society to further foreign policy goals
- **Protect core US interests by advancing democracy and human rights and strengthening civil society:** Strengthen effectiveness of diplomacy and development investments

Source: Adapted from US Department of State and USAID Joint Strategic Plan 2018-2022

Private Investment Corporation (OPIC) and some development finance work at USAID, with a higher spending limit and new equity functions to allow the US to more effectively tap into private resources and further US development goals. Legislation to create the DFC, which enjoyed bipartisan support in Congress as well as support from the Trump administration and the development community, passed in September 2018. The law provided for the creation of a 'Chief Development Officer', underscoring the strong development function of the DFC. The new law also required the Administration to submit an implementation plan to Congress — a process which OPIC is leading — on March 8, 2019. The DFC is expected to open its doors on October 1, 2019.

Other priorities include USAID's policy shift towards the 'Journey to Self-Reliance', a new strategy released in 2019

which aims to “end the need for” foreign assistance in partner countries. Going forward, USAID will be transforming its programs to focus on building self-reliance – or, “the ability to solve their own development challenges” – in partner countries. To facilitate this shift, USAID is re-orienting its cooperation according to how self-reliant each of its partner countries is. Partners are scored using ‘Country Roadmaps’, which rank countries on 17 publicly-available, third-party metrics. The metrics examine areas such as open and accountable governance, inclusive development, economic policy, and the relative capacities of the government, civil society, citizens, and the economy. The strategy also pledges to engage more deeply with the private sector to catalyze enterprise-driven development.

A final priority for USAID is its internal reorganization process, which has tentative bipartisan support. According to administrator Mark Green, the proposed changes will “position its structure, workforce, programs, and processes” for more effective development assistance by consolidating several offices, including merging budget, management, and policy functions. It will also realign USAID’s humanitarian, crisis, and conflict work under

one new associate administrator, and will merge development, democracy, and innovation into one bureau, with the aim of: streamlining technical expertise; elevating democracy, governance, and human rights; and ensuring that private-sector, gender, and faith-based and community approaches are integrated across programs. As of March 2019, only one of nine of these reorganizational elements (humanitarian assistance) had received approval from Congress for implementation to move forward.

In February 2019, the Administration launched the new ‘Women’s Global Development and Prosperity Initiative’ (W-GDP) with a focus on women’s economic empowerment. The fund is an effort to assist 50 million women in the developing world by 2025. The President’s FY2020 budget provided US\$100 million for the fund (on top of the US\$50 million announced in February 2019), which is intended to mobilize private capital. The announcement was met with mixed reviews, including questions about the size of the initial investment and the fact that the Trump administration has tried to cut USAID’s budget over the last two fiscal years.

Table 1. United States Department of State and USAID, Strategic Plan 2018-2022 – Strategic goals and objectives

Strategic Goals	Strategic Objectives
<p>1. Protect America's Security at Home and Abroad</p>	Counter the proliferation of Weapons of Mass Destruction (WMD) and their delivery systems
	Defeat ISIS, al-Qa'ida and other transnational terrorist organizations, and counter state-sponsored, regional, and local terrorist groups that threaten U.S. national security interests
	Counter instability, transnational crime, and violence that threaten US interests by strengthening citizen-responsive governance, security, democracy, human rights, and rule of law
	Increase capacity and strengthen resilience of our partners and allies to deter aggression, coercion, and align influence by state and non-state actors
	Strengthen US border security and protect U.S. citizens abroad
<p>2. Renew America's Competitive Advantage for Sustained Economic Growth and Job Creation</p>	Promote American prosperity by advancing bilateral relationships and leveraging international institutions and agreements to open markets, secure commercial opportunities, and foster investment and innovation to contribute to U.S. job creation
	Promote healthy, educated and productive populations in partner countries to drive inclusive and sustainable development, open new markets and support US prosperity and security objectives
	Advance US economic security by ensuring energy security, combating corruption, and promoting market-oriented economic and governance reforms
<p>3. Promote the transition to a low-emission, climate resilient world while expanding global access to sustainable energy</p>	Transition nations from assistance recipients to enduring diplomatic, economic, and security partners
	Engage international fora to further American values and foreign policy goals while seeking more equitable burden sharing
	Increase partnerships with private sector and civil society organizations to mobilize support and resources and shape foreign public opinion
	Project American values and leadership by preventing the spread of disease and providing humanitarian relief.
<p>4. Protect core US interests by advancing democracy and human rights and strengthening civil society</p>	Strengthen the effectiveness and sustainability of our diplomacy and development investments
	Provide modern and secure infrastructure and operational capabilities to support effective diplomacy and development
	Enhance workforce performance, leadership, engagement, and accountability to execute our mission efficiently and effectively
	Strengthen security and safety of workforce and physical assets

Source: US Department of State and USAID Joint Strategic Plan 2018-2022