

*Dr. Gordon Adams*

## Rebalancing the Toolkit: Strengthening the Civilian Instruments of American Statecraft



### THE CHALLENGE

America's statecraft is unbalanced and our national security is paying the price. Today, the military is being asked to perform a growing number of national security missions, only some of which are part of their core competence. The consequence is an overstretched military, a weakened civilian capacity, and an increasingly uniformed face on America's global engagement. It is urgent for the next administration to rebalance the portfolio, ensuring that the military is restored and capable, and that our diplomatic and foreign assistance tools are structured to be effective and adequately funded.

### THE CONTEXT

The next administration will face a number of critical national security and foreign policy challenges, including a fragile global economy and disparity of wealth, major resource challenges (energy, water, food), failing and fragile governance, conflicts of "identity" (religion, ethnicity, nationality), transnational problems (health, environment, climate, crime, drugs, and terrorism), and shifting global and regional power balances. These challenges cannot be managed by a single federal agency, nor, in many cases, by the United States alone. Today, however, the US foreign and national security policy infrastructure is weak, imbalanced, and inadequately resourced on the civilian side. Moreover, the White House capacity to coordinate, oversee, and fund a "whole of government" approach to these challenges is inadequate. Our institutions are simply not up to the task of an integrated policy process, nor one of coherent coordination with the international community. It is time to restructure, rebuild, and resource the instruments of American statecraft.

### WHERE TO START

#### **Strengthen the president's ability to coordinate and integrate national security policy**

The next president will not have an adequate capability to plan, oversee, and guide our foreign and national security policy. His principal instruments - the National Security Council and the Office of Management and Budget - are simply not built to cope with the task. Too often, the short-term takes precedent over the long-term; tactics overwhelm strategy; planning capabilities are thin; and there is too

little attention to the linkage among policies or between policy objectives and funding decisions.

Within three months of taking office, the new administration should carry out a first-ever Quadrennial National Security Review coordinated by the NSC. Within six months of taking office, the administration should carry out a National Security Planning Guidance, focusing on the key national security priorities, coordinated by NSC and the Office of Management and budget. The administration should seek legislative authority to institutionalize these processes and create dedicated capabilities at NSC and OMB for these tasks.

### **Strengthen and empower the civilian instruments of statecraft**

Both State and USAID are inadequately staffed and organized to function effectively. This is not simply an issue of inadequate numbers. The existing recruitment, training, incentive, and promotion policies of the State Department, the Foreign Service, and USAID do not produce enough personnel suited to the emerging challenges. The nation needs a new generation of diplomats with the economic, technical, managerial, planning, and budgetary skills required to meet the new challenges. Recruitment needs to focus on a different breed of officer (including both initial and mid-career accessions) who can bring in the economic, financial, technical, managerial, and strategic planning talent the Department needs. USAID needs to rely less on contractors and more on a larger staff, recruiting talent in program development, management, implementation, and evaluation. **Career paths for Foreign Service officers need to reward assignments that cut across skills inside the foreign policy agencies and include inter-agency assignments.**

Structurally, the next administration should appoint a second Deputy Secretary of State for Management and Resources (permitted in current statute), responsible for State/USAID budgeting and management, tasked to coordinate foreign assistance planning and budgeting. The responsibilities of this Deputy should extend to the coordination of all foreign assistance budgeting across the International Affairs budget account. This Deputy would participate in all NSC meetings, providing foreign assistance and development with a high-level voice in policy discussions, and co-chair an NSC-level permanent interagency group reviewing all foreign assistance programs and budgets across the government. This Deputy should also serve as USAID Administrator. USAID should receive higher levels of funding and personnel (doubling field personnel over five years), retain its status as a separate organization, reporting to the Secretary of State, and incorporating the programs and responsibilities currently carried out through the President's Emergency Program for

AIDS Relief (PEPFAR) and the Millennium Challenge Corporation (MCC).

### **Proper Assignment of Responsibilities for Foreign and Security Assistance**

The president will face a major institutional challenge in the relationship between civilian and military agencies with respect to post-conflict reconstruction programs and security assistance. At present, DOD executes 15 different foreign and security assistance programs, at least six of which were created since 2001. Many of these programs overlap with existing State/USAID authorities and activities.

The next President should move swiftly to build the capacity of State/USAID to oversee, integrate, and execute civilian programs for stabilization and reconstruction. The core capability for this mission should be located at USAID, building on its military liaison, civilian capacity-building, and transition programs, already in place. USAID should also be given authority to plan, recruit, train, and deploy a cross-government, public-private capacity for rapid civilian deployment where stabilization and reconstruction programs are needed. Overall coordination of government responsibility for stabilization and reconstruction policy, as well as broader US government policy toward governance and fragile states, should be based in the National Security Council, under a new Senior Director, who leads an interagency group.

The next president should also move swiftly to build the staff capacity and funding at State to take responsibility for the full agenda of US security assistance programs. Early steps need to be taken to integrate the security assistance portfolio at DOD into the State Department, in order to ensure proper overall foreign policy guidance for these programs. State should have full responsibility for policy and budgets for all programs to train and equip foreign security forces, to educate foreign officials for counter-terror policies and operations, and to reimburse foreign governments for their contributions to U.S. counter-terror operations. The policy and budget responsibilities for these programs should be integrated into appropriate on-going State activities and offices, such as Foreign Military Financing, and Peacekeeping Operations. DOD and the military services should remain, as they are today, the primary implementers of such programs, with up-front input into program development, working with the State Department.

## 🔍 Restore discipline and focus to the military instrument

Defense budgets are now fully out of control; planning and budgeting discipline at DOD has been eroded by nine consecutive years of budgeting that relies on supplemental funding for Iraq, Afghanistan and counter-terror operations. Those supplemental funding requests have increasingly been used to fund basic defense programs having little to do with Iraq and Afghanistan. Defense budgets, which now surpass seven hundred billion dollars per year, are at the highest level in constant dollars since World War II. If a return to order is not carried out soon, defense budgets will continue to spin out of control, swamping the President's overall foreign policy and domestic agenda.

At the start of the administration, a detailed review of US strategy should be carried out, as proposed above. This review should be coordinated with an accelerated defense review, setting down new policies with respect to the missions, size, and composition of the military forces of the United States, post-Iraq. Supplemental budget requests for military programs and activities should cease, leaving only a short period of final supplemental funding for activities specifically focused on Iraq and Afghanistan. A single DOD budget process should review all service budget requests, including those related to the current combat deployments, restoring order to the existing planning and budgeting system.

### WHAT'S ON THE LINE

Without serious, early, and priority attention to these critical reforms the administration faces the prospect of continued *ad hoc planning*, weakened civilian national security institutions, an imbalanced overseas engagement and runaway defense budgets. The United States cannot afford to perpetuate this national security structure in the face of increasingly complex global challenges. Dealing with issues like terrorist organizations, crime, drugs, proliferation, climate change, rising regional and international powers, increasing prices, religious and ethnic conflicts, a slumping global economy and failed, failing and weak states demand a coherent national security strategy utilizing all the tools of statecraft.

The United State's ability to confront the myriad challenges and opportunities that lay ahead will depend on the next administration and Congress' ability to expand the capabilities of the national security planning process reform and strengthen the civilian instruments of national security, integrate and re-balance US overseas engagement, and restore fiscal discipline to defense spending. Without such reforms, the United States will not be able to deal with the challenges and opportunities of the future.



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received the Department of Defense Medal for Distinguished Public Service. Mr. Adams has published books, monographs and articles on defense and national security policy, the defense policy process, and on national security budgets. He has testified numerous times before the Congress on defense spending and national security issues, writes columns for major media outlets, including a monthly column for the Bulletin of Atomic Scientists, and is widely quoted by national media on national security policy and budgets.

### ADDITIONAL ANALYSIS

For additional original research on budgeting for foreign affairs and defense, please read the following publications by Dr. Adams:

*"Establishing the Next President's National Security Agenda: Part 1,"* (Bulletin of Atomic Scientists, June 2008).

*"Getting US Foreign Assistance Right,"* (Bulletin of Atomic Scientists, May 2008).

*"Don't Reinvent the Foreign Assistance Wheel,"* (Foreign Service Journal, March 2008).

*"The True Cost of US Defense Spending,"* (Bulletin of Atomic Scientists, April 2008).

*"New Funds for Foreign Aid,"* (Bulletin of Atomic Scientists, February 2008).

*"The Politics of National Security Budgets,"* (The Stanley Foundation, February 2007).