

WebMemo



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The White House Embraces Smart Power: Now What?

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“Smart power” is supposedly the Hegelian synthesis of soft and hard power instruments of foreign policy. In reality, though, it usually means downgrading hard power in favor of soft power, which is precisely what is happening in America today. Now, “smart power” has received its official stamp from the White House with the signing on September 22 by President Obama of a long-awaited Presidential Policy Directive (PPD) on Global Development.

A Defining Document. The document elevates global development assistance, a soft power tool, to one of the main pillars of the Obama’s national security policy¹ and the U.S. Agency for International Development (USAID) to a role of far greater prominence in policy formation.

It is a defining document, building on the Administration’s National Security Strategy, and a step toward fulfilling the Obama Administration’s Quadrennial Diplomacy and Development Review (QDDR), which has been in the works for well over a year. Last week, at the U.S. Global Leadership Conference in Washington, top cabinet officials defended their belief that, as an aspect of “smart power,” development plays a critical role in enhancing U.S. national security.

Unfortunately, just as “shovel-ready” domestic government aid projects cannot jumpstart the engine of the U.S. economy, so official development assistance (ODA) to foreign governments and non-governmental groups cannot resolve critically important foreign policy challenges like strategic conflicts between nations, the containment of rogue

states, nuclear proliferation, terrorism, or international trade disputes.

Details of the PPD on Global Development were unveiled by President Obama at his speech to the United Nations’ Millennium Development Goals Summit two weeks ago. During this speech, the President promised not only to meet the aspirational Millennium Development Goals (MDGs) but to exceed them. He demonstrated once again his intent to rely even more on international institutions, which The Heritage Foundation’s Kim Holmes and James Jay Carafano have indentified as key planks in the emerging Obama Doctrine.

Core features and statements of the presidential directive include:

- A conviction that diplomacy, defense, and development are meant to reinforce and complement each other;
- A long-term commitment to rebuilding USAID;
- A Global Development Strategy, to be submitted to the President every four years;
- Three key development-related initiatives:
 1. The Global Health Initiative expands the impact of U.S. global health efforts by

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improving disease treatment, integrating interventions and expanding investments to strengthen health systems, improving maternal and child health, addressing neglected tropical diseases, and fostering increased research and development;

2. Feed the Future is aimed at promoting a comprehensive approach to food security by accelerating economic growth and raising incomes through greater agricultural productivity and market access for the rural poor, and enhancing nutrition; and
 3. Global Climate Change Initiative integrates climate change considerations into the U.S. foreign assistance strategy in order to “foster a low-carbon future and promote sustainable and resilient societies in coming decades.”
- Increased public funding and more private funding for development-focused research, including by:
 1. Capitalizing on new models for innovation and bringing sustainable models to scale;
 2. Using U.S. leadership—bilaterally and multilaterally—to foster, highlight, and reward innovation; and
 3. Increasing developing countries’ science and technology programs and removing impediments to innovation faced by the private sector.
 - Investment in development to encourage economic growth and democratic governance and to facilitate the stabilization of countries emerging from conflict;
 - Emphasis on country ownership and responsibility for programs, as well as transparency, good governance, and accountability. This means:
 4. Development plans constructed according to recipient country priorities and plans; and

5. Encouraging recipient countries to drive development through, rather than around, national institutions.

It is worth noting that as the core of a development strategy, the PPD’s three main areas of investment—global health, “food security,” and climate change—are all reactive concerns. None of them will drive the kind of economic development that would pull nations out of poverty and raise living standards (though subsidies for technological innovations could produce some economic growth as long as the subsidies continue).

In other words, the document fails to match the eloquent defense of trade and economic development President Obama made in his speech to the U.N. There, he stated, “We know that countries are more likely to prosper when they encourage entrepreneurship, when they invest in their infrastructure, and when they expand trade and welcome investment.” This is absolutely true, but it needs to be embodied in actual U.S. policy.

A Prominent Role for State. The State Department lost no time in pointing out that its own role will be prominent, in part as an overall coordinating agency, and in part because it takes the lead on negotiating international treaties “that preserve natural resources and the global commons.”²

Indeed, these coming years will be golden ones for the State Department and USAID, who were among the very few winners in the President’s budget request for 2011. The request included a huge increase in foreign aid—\$41.3 billion—over President’s Bush’s request of \$26.1 billion for 2009. The tilt in the request is clear: away from defense spending and toward State and USAID. This is being done with the acquiescence of Secretary of Defense Robert Gates, who since 2007 has consistently expressed the desire to hand off communication and reconstruction matters to State.

1. Kim R. Holmes and James Jay Carafano, “Defining the Obama Doctrine, Its Pitfalls, and How to Avoid Them,” Heritage Foundation *Background* No. 2457, September 1, 2010, at <http://www.heritage.org/Research/Reports/2010/08/Defining-the-Obama-Doctrine-Its-Pitfalls-and-How-to-Avoid-Them>.
2. Press release, “The Department of State’s Role in Supporting the Presidential Policy Directive on Global Development,” U.S. Department of State, September 29, 2010, at <http://www.state.gov/r/pa/prs/ps/2010/09/148303.htm> (October 6, 2010).

Some, however, question whether the Obama Administration has the metrics to measure the impact dramatic of these ODA increases. In July 2009, Senate Foreign Relations Committee Chairman John Kerry (D-MA) and ranking Member Richard Lugar (R-IN) introduced the Foreign Assistance Revitalization and Accountability Act (S. 1524) to evaluate the effectiveness of foreign aid through a proposed Council on Research and Evaluation of Foreign Assistance. As the two then stated, “We need a better way to evaluate which development programs work, which have minimal impact, and what factors determine success or failure. Our current system is unable to provide this analysis.”

Toward an Effective QDDR. In order to be a useful strategy document, the QDDR report, when it finally materializes, should preserve meaningful divisions of labor between the Department of State, USAID, and the Pentagon. The synthesizing “smart power” approach tends to erase the distinctions, roles, and responsibilities that must be clearly delineated in order to be effective. It should also reflect directly on real-time foreign policy objectives. Indeed, even today the heaviest ODA expenditures by the U.S. government are in countries where the U.S. is fighting against radical Islamism. That is where the strategy needs to be most focused.

The QDDR should also acknowledge the importance of assistance programs based on performance

and good governance—such as the Millennium Challenge Corporation (MCC)—and build on this approach as it seeks to extend the reach and prominence of U.S. development assistance. Accountability measures should be built into every program. Funding for traditional ODA programs administered by USAID should gradually be reduced and redirected to MCC programs.

Additionally, the Administration should halt the stagnation and decline of the defense budget, which over the next decade will not produce a military force capable of preserving international stability and dealing with all the emerging threats facing this nation.

Finally, the Administration needs to recommit itself to international trade negotiations by completing the already-negotiated free trade agreements with Colombia, South Korea, and Panama and supporting the completion of the Doha round of the World Trade Organization. It is not enough for the President to give lip service to international trade.

Soft Power Cannot Match. These measures will give a boost to the global and U.S. economy and to developing countries around the world in a way U.S. soft power simply cannot match.

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