



# FOREIGN ASSISTANCE IN THE 'AMERICA FIRST' ERA

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In February 2017, as the newly-elected administration was putting the finishing touches on its first budget proposal, the global development community was bracing for cuts in line with the President's campaign promise to shrink the federal bureaucracy and balance the budget.

What no one expected was that the new Director of the Office of Management and Budget (OMB)—former South Carolina Congressman Mick Mulvaney—would actually single out diplomacy and global development for deep and disproportionate cuts. During his first press conference on the administration's "America First" budget blueprint in March, the OMB chief left no room for interpretation: "It is not a soft-power budget. This is a hard-power budget. And that was done intentionally."

Out of the entire US\$4 trillion federal budget, Director Mulvaney chose to highlight the State Department and foreign assistance—which make up just 1 percent of all federal spending—as two of the top three areas proposed for the deepest cuts (the third was the Environmental Protection Agency). It does not take a mathematician to realize that this decision wasn't about balancing the budget—it was about politics.

Fast-forward one year to this past March: the final Fiscal Year 2018 spending bill was signed in to law—not with the proposed cut of one-third for the International Affairs Budget, but instead with a 4 percent increase. This was a powerful and unequivocal bipartisan rejection by Congress of an America First budget when it came to slashing our nation's civilian tools.

To be clear—the America First era brings new complexity for those of us who believe that U.S. global leadership is central to advancing America's national interests. From engaging our NATO allies to trade alliances, the impact couldn't be more challenging. Yet, while other international issues have struggled to bridge the partisan divide, a strong bipartisan consensus pushed back against these dangerous proposals to cut our tools of global engagement.

It is worth understanding the foundation of this bipartisan support while also exploring the landscape ahead. What lessons can we learn of how to navigate the politics of foreign aid as the headwinds of the America First era continue?

## The bipartisan congressional firewall

Since 9/11, there has been a growing support from Republicans and Democrats in Congress for strong funding for the International Affairs Budget. To say the least, what happened between March 2017 and March 2018 demonstrates that this is one issue that transcends today's hyper-partisan politics.

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From the outset, members of Congress on both sides of the aisle declared the Administration’s first budget as “dead on arrival.” What is remarkable is that within weeks of the proposal’s release, more than 200 lawmakers—from the Freedom Caucus to the Progressive Caucus—publicly spoke out in support of our nation’s development and diplomacy programs.

It’s no accident that congressional Republicans and Democrats came together to overwhelmingly reject dangerous cuts to America’s foreign assistance programs. In an article written for this Roundtable last year, *The Politics of Foreign Aid*,<sup>1</sup> this history of support is outlined in greater detail. But in summary, lawmakers recognize the significant return on investment for the American people that comes with strong global engagement.

- **They know America’s security and economic interests are at stake.** As lawmakers travel around the world, they see the risks of America pulling back from the world. Whether it is fighting pandemics, tackling the nexus of terrorism and famines, or competing in the world’s fastest growing markets, members of Congress understand that U.S. leadership abroad directly impacts Americans here at home.
- **They have seen firsthand that these programs work and new reforms are making them even more effective.** For the past 15 years, Republican and Democratic administrations and members of Congress have worked together to transform foreign assistance, making it more effective, accountable, and data-driven. The result has been unprecedented, transformative progress throughout the developing world: U.S. assistance has helped cut the number of people living in extreme poverty in half, reduce infant mortality rates by 50 percent, and double the average incomes of the world’s poorest.
- **They have heard from their constituents that the U.S. must remain engaged abroad.** Perhaps most importantly, local business, veteran, faith, NGO, and community leaders are speaking out across America in support of strong resources for the State Department and USAID. As just one example, earlier this year, more than 1,200 veterans from all 50 states and all branches of service sent a letter urging Congress to ensure that resources for the International Affairs Budget keep pace with growing global threats. This powerful chorus of voices has been instrumental in educating lawmakers and building champions for America’s global leadership.

Ultimately, as outlined in Article 1 of the Constitution, Congress has the power of the purse and sets the federal government’s spending priorities. And when final funding decisions were made, Congress took action not just to protect—but to increase—resources for America’s international affairs programs.

But given the political climate, will this firewall hold?

## Growing isolationist winds: ‘It’s the economy, stupid’

On the morning after the March 2016 Michigan primary, pundits declared Bernie Sanders’ and Donald Trump’s victories were propelled by anti-trade sentiment with exit polls finding that a majority of Republican and Democratic voters said, “trade takes away U.S. jobs.” While foreign assistance was not on the ballot,

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this was yet another wake-up call about the growing anxiety among some of our fellow citizens about global engagement.

Recent polls, particularly throughout America's Heartland, continue to find that voters want America to be strong in the world, but Americans have complex and sometimes contradictory views about our global leadership. The rise of populist candidates on both the left and the right has shown that it's essential to listen to voters' concerns and make the case for the clear return on investment.

For years, the effectiveness of America's military leaders—including retired General Jim Mattis—in reinforcing the imperative of foreign assistance to our national security has been unmatched. Our nation's faith and NGO leaders have underscored why American compassion and generosity is essential to helping the most vulnerable. And business leaders have been critical validators in making the economic case for global development.

But in the America First era, the impact of our investments overseas are being newly challenged. That's why the U.S. Global Leadership Coalition (USGLC), a broad-based network that advocates for America's global leadership, launched an initiative last year in America's Heartland to listen to and engage our fellow citizens on this very subject. The effort is focused on places like Youngstown, Ohio and Erie, Pennsylvania, and other Rust Belt communities that have been hardest hit by the loss of manufacturing jobs. In each of these communities, the USGLC brings together community leaders with their lawmakers for town hall-style dialogues about how leading globally matters locally.

As one example, at Fox Valley Technical College in Appleton, Wisconsin, the USGLC brought together more than 100 local business, veteran, and community leaders for a conversation with their local member of Congress. The stories were powerful—from the college president sharing the economic benefits of hosting international students to the mayor's tale of lasting bonds created with people around the world through citizen diplomacy. But what came across loud and clear was business leaders sharing their fears that America is getting left behind economically.

We expected skepticism when the issue of foreign assistance came up—and we heard some—but we also heard concerns that America is losing influence around the world and the reality of countries like China filling the void when we pull back. The citizens of Appleton are not outliers. While there is a small but vocal segment of American voters who would prefer that America disengage, most Americans believe we must remain engaged in the world—but it is important that they be reminded why it matters here at home.

This story needs to be told:

- Since 95 percent of the world's consumers live outside the United States, global instability threatens America's interests.
- By investing in other countries alongside our partners, we not only fight terrorism, disease, and famine, we also build more stable markets for American goods and services. That's good for our economy and our security.
- If we don't compete on the global stage, other countries like China will fill the gap and shut us out of future markets. This will cost us jobs, lower wages, and threaten our children's future.

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Policymakers from both sides of the aisle have long understood the imperative of foreign assistance to our security, economy, and values. Yet in today’s America First environment, a clear lesson learned is how a strong counter narrative on the powerful economic benefits to global engagement is critical to help strengthen and support the congressional firewall.

## The administration is not monolithic on foreign assistance—opportunity?

With the exodus of top advisors General H.R. McMaster and Gary Cohn—who first wrote in an op-ed that “America First does not mean America alone”<sup>2</sup>—today, there are skeptics and supporters of the traditional international order within the White House and throughout the administration.

When it comes to the issue of foreign assistance, Mulvaney has wielded outsized influence in determining the administration’s budget priorities. His unsupportive voting record on foreign assistance issues while in Congress may help explain his current position. The new National Security Advisor John Bolton, although he has yet to speak on the subject since joining the administration, has long questioned assistance to multilateral institutions and seen aid to other countries as a tool of leverage.

But not every member of this administration seems to be on board with cutting the International Affairs Budget by a third. As CENTCOM Commander, General Jim Mattis famously declared, “If you don’t fund the State Department fully, I need to buy more ammunition.” Since joining the administration as Secretary of Defense, Mattis has privately weighed in on the imperative of our civilian tools of development and diplomacy. Testifying before Congress, he reminded us that “America’s got two fundamental powers, the power of intimidation and the power of inspiration.” Not surprisingly, every regional combatant commander—from the Middle East to Africa to the Pacific—has followed suit and testified that the State Department and USAID are critical partners for the U.S. military.

As for the new Secretary of State, Mike Pompeo, he quickly distanced himself from his predecessor and committed to bringing the “swagger” back to our civilian forces—from staffing up the State Department to protecting his budget. In his confirmation hearing, he promised the Senate Foreign Relations Committee: “When the team [at CIA] needed additional resources, I defended them, asked for them, I demanded them, and the President, so long as he found value, never hesitated to provide them. I was able to persuade him. And with your help, I will do the same thing at the Department of State.”

While initially calling for the elimination of the U.S. Overseas Private Investment Corporation—now headed by Ray Washburne—the administration has embraced the power of development finance and called for doubling America’s development finance portfolio to help the U.S. compete more effectively against countries like China. Ivanka Trump, first daughter and a special advisor to the President, has prioritized the issue of women’s economic empowerment and is committed to traveling to see U.S. development programs. USAID Administrator Mark Green has begun the implementation of his well-received agency-wide transformation plan to strengthen USAID to respond to humanitarian crises and streamline partnerships with the private sector.

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Against this backdrop, it is vital that advocates continue to speak out forcefully against the danger of deep and disproportionate cuts to our civilian tools, while continuing to find windows of opportunity to advance smart and effective development programs with policymakers, both in the administration and Congress.

## Blue wave, red wave? Isolationist wave, internationalist wave?

Lastly, dare we forget, we are in an election year. While the cable TV pundits battle to predict a blue, red, or purple wave on November 6, the future of foreign assistance will likely depend on whether it is an isolationist or an internationalist wave. When the 116th Congress is sworn in on January 3, 2019, what will its make-up be when it comes to the question of America's role in the world?

Start with some key facts:

- A near-record number of lawmakers are retiring, including many who are long-time friends and champions.
- Among those retiring are 12 current committee chairs—including the chairs of the House Appropriations Committee, the House Foreign Affairs Committee, and the Senate Foreign Relations Committee.
- And as one example of the extensive turnover of global development champions, 75 percent of those in Congress when the President's Emergency Plan For AIDS Relief (PEPFAR) was launched are no longer serving on Capitol Hill.
- With a record-setting 2,100 declared candidates for Congressional seats this cycle—combined with about 50 competitive congressional seats—there will surely be many new faces on Capitol Hill in the 116th Congress.

So far, the international arena has not been a significant driver in the 2018 election cycle, with polls ranking foreign policy and terrorism far below domestic issues. This means it is even more important that advocates seek to engage incumbents back home and educate first-time candidates on the benefits of foreign assistance to America's national interests. As part of the USGLC's effort to engage the next generation of lawmakers, local business, faith, NGO, and veteran leaders have already held briefings with more than 230 candidates. For many, it was their first time discussing global development and one of the few meetings they are having on foreign policy.

In a current Senate race, a Republican contender with endorsements from Rand Paul to Steve Bannon sat down for more than an hour with a group of influential business, faith, and military leaders to discuss global development and diplomacy. Although he entered the meeting a skeptic, he left stating that: "These are issues which align with my core beliefs" and that "I feel very confident that I could walk into a debate right now and defend these kinds of programs." This, too, is not an outlier story.

As we look to January 3, 2019, it is only through this kind of direct engagement and education—not from Washington, D.C., but from local, credible constituents—that we can build new champions of America's foreign assistance programs.

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## Telling the story

This debate over America’s engagement in the world takes place against the backdrop of the 70th anniversary of the Marshall Plan. As we look forward, here too is an important lesson to remember.

When the general-turned-diplomat raised the idea of rebuilding Europe to a war-weary America, skepticism ran high. Citizens didn’t buy his idea that “it is logical that the United States should do whatever it is able to do to assist in the return of normal economic health in the world, without which there can be no political stability and no assured peace.” Americans were ready to focus inward.

But George Marshall, along with others in the Truman cabinet, crisscrossed the country to make the case for continued engagement overseas and explain the return on investment for our national security and economic interests. Looking back, not only did he persuade the American public, but it was one of the greatest foreign assistance bets of all time that brought generations of peace, security and prosperity to our nation and to the world.

He was right then—leading globally matters locally. And 70 years later, Marshall’s vision still rings true. This is a story that is worth telling on how to make America First.

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1 Schroyer, Liz. “The Politics of Foreign Aid.” *The Brookings Institution*. July 31, 2017. [www.brookings.edu/research/the-politics-of-foreign-aid](http://www.brookings.edu/research/the-politics-of-foreign-aid).

2 McMaster, H.R. and Gary Cohn. “America First Doesn’t Mean America Alone.” *The Wall Street Journal*. May 30, 2017. [www.wsj.com/articles/america-first-doesnt-mean-america-alone-1496187426](http://www.wsj.com/articles/america-first-doesnt-mean-america-alone-1496187426).