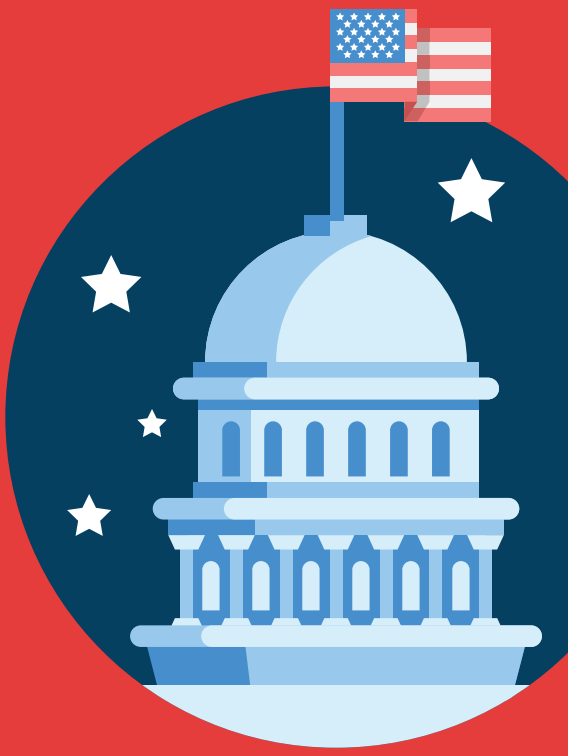
2020 AND BEYOND

Maintaining the bipartisan narrative on U.S. global development



POST-CONFERENCE REPORT

George Ingram

Brookings Blum Roundtable

ASPEN, COLORADO ★ JULY 31-AUGUST 2, 2019

B | Global Economy and Development at BROOKINGS

The **Global Economy and Development program at Brookings** examines the opportunities and challenges presented by globalization, and recommends policy solutions for a better world. Recognizing that the forces of globalization transcend disciplinary boundaries, the program draws on scholars from the fields of economics, development, and political science, building on the worldwide reputation of Brookings for high-quality, independent research.

Propelled by the energy and talent of faculty and students committed to helping those who live on less than $2 a day, the **Blum Center for Developing Economies** is focused on finding solutions to the most pressing needs of the poor. Spanning the entire University of California system, Blum Center innovation teams are working to deliver safe water and sanitation solutions in eight countries, life-saving mobile services throughout Africa and Asia, and new energy-efficient technologies throughout the developing world. The center's Global Poverty & Practice concentration is the fastest-growing undergraduate minor on the UC Berkeley campus, giving students the knowledge and real-world experience to become dynamic participants in the fight against poverty. In addition to choosing from a wide variety of new courses, students participate directly in poverty alleviation efforts in more than fifty developing countries.

The **Mary Robinson Foundation–Climate Justice** is a center for thought leadership, education, and advocacy on the struggle to secure global justice for those many victims of climate change who are usually forgotten—the poor, the disempowered, and the marginalized around the world. It is a platform for solidarity, partnership, and shared engagement for all who care about global justice, whether as individuals and communities suffering injustice or as advocates for fairness in resource-rich societies. In particular, it provides a space for facilitating action on climate justice to empower the poorest people and countries in their efforts to achieve sustainable and people-centered development.

Acknowledgments
The roundtable was made possible through a generous grant from Richard C. Blum, chairman of Blum Capital Partners and founder of the Blum Center for Developing Economies at the University of California, Berkeley. The roundtable's organizers extend special thanks to Jennifer Cohen for her excellent event planning and coordination; to David Batcheck and Merrell Tuck-Primdahl for their strong editorial support; and to Molly Sugrue, Jacqueline Sharkey, and Valeriya Ten for ensuring the meeting's success. Alex Irvin took the event's photographs.

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Forward

From July 31 to August 2, 2019, over 40 prominent policymakers, development practitioners, and leaders from industry and academia came together from the public, private, and nonprofit sectors for the 16th annual Brookings Blum Roundtable in Aspen, Colorado to discuss the future of U.S. leadership in foreign assistance. The 2019 Brookings Blum Roundtable was hosted by Richard C. Blum and the Global Economy and Development program at Brookings, with the support of honorary co-chair Mary Robinson, president of the Mary Robinson Foundation–Climate Justice.

The 2019 Brookings Blum Roundtable (BBR) built on the prior year discussion of how to reinvigorate U.S. global development leadership. The 2018 roundtable focused on: strengthening the counter narrative to the administration's efforts to reduce funding for U.S. international engagement; advancing the proposed restructuring of USAID; the thoughtful approach of the Global Fragility Act; the enhancement of U.S. development finance through the BUILD Act; and exploring the role of the Sustainable Development Goals (SDGs) and multilateral approaches. BBR participants were active in all these areas last year, engaging with Congress to ensure full funding for the international affairs account; advancing a preventive approach to fragility through work with the U.S. Institute of Peace Task Force on Extremism in Fragile States and articulating the rationale for the Global Fragility Act; working successfully on passage of the BUILD Act and subsequently advising on its implementation; and weighing in on the centrality of the SDGs and multilateralism.

In 2019, we moved to discuss these same topics in the context of the 2020 national election. The overarching focus was on what narrative and ideas can best inform presidential and congressional campaigns on the critical issues of U.S. international engagement and lay the foundation for constructive policies by officials who take office in January 2021. What makes this task all the more daunting is the growing distrust by the American people of their political leaders, large corporations, and a range of traditionally respected institutions.

We met at a time of significant anxiety around the world over America's global engagements, significant disruption in official aid offset in part by large prospective private philanthropy and a growing attention to sustainability by business CEOs, as well as significant popular movements calling for a leadership response to global issues of climate change, poverty, and inequality. It does not come as a surprise that the Presidential impeachment hearings revolve around the conduct of foreign policy and foreign assistance. The roundtable's purpose was to explore how to act in this disruptive environment.

Dick Blum & Homi Kharas

Overheard
AT THE ROUNDTABLE

Richard Blum ■ *Founder and Chairman, Blum Capital*

My theme is **let's make the world great again,** and we've got a long way to go. There are 100 good arguments about why we ought to coalesce behind global development. I heard about 112 this morning. I guess you've got to pick your best shot. Let's sell them together or sell them separately. But my god, we've got to sell them.

Madeleine Albright ■ *Chair, Albright Stonebridge Group*

Fascism is not an ideology. It's a method for gaining power by dividing people. You always need a scapegoat, and, at the current moment, refugees are the scapegoat.

Photo: Timothy Greenfield-Sanders

Michelle Nunn ■ *President and CEO, CARE USA*

We need to find ways of making the development narrative personal for people, both for our constituents and also for our legislators. We know the science, the facts are clear, but **we need to help people on a journey of empathy** that transcends what can feel like an overwhelming magnitude of crises.

Peter W. Bodde ■ *U.S. Ambassador (Retired)*

What I hear in the background of this discussion is what everybody's looking to: **a return to the image of American goodness** and how we come to bring that together. Having represented the United States overseas for all these years, people yearn for that. It's missing right now.

Yana Kakar ■ *Global Managing Partner, Dalberg Advisors*

I appreciate the importance of our bi-partisan engagement but the reality is that bi-partisan is not enough. Too many Americans – certainly Millennials but also many others – do not feel strong party affiliation because they do not see themselves sufficiently reflected in the two-party debate. If our dialogue is going to achieve its maximum impact potential for America, we need to initiate conversations that embrace a multiplicity of political opinions beyond the bi-partisan divide.

Global Economy and Development at BROOKINGS

SESSION

1

The world disrupted

Forces of disruption

Several themes ran throughout the three days of the 2019 Brookings Blum Roundtable. As a starting point, participants agreed on the importance of understanding today's age of disruption, which requires navigating through rapid change, divisive politics, and a rising disregard for long-accepted norms. Broadly speaking, the biggest areas of disruption are technological, geopolitical, and societal.

- Technology reigns in the corporate world—in 2019, six of the seven firms with the highest market value were in the information technology sector, versus none in 1994 (back then the largest global companies by market capitalization were NTT, GE, Exxon Mobil, Walmart, Coca-Cola, Roche, and Altria)
- Inequality is rising, as is populism—the wealthiest 1 percent accounted for 8 percent of U.S. household income in 1975, but was 22 percent in 2015; the CEO-to-worker pay ratio rose from 25 times to 272 times during the same period
- Public trust in institutions is eroding—between 1979 to 2018, trust has risen only for the military and has fallen for all other major institutions—media, the church, the Supreme Court, the U.S. presidency, Congress, banks, public schools, labor unions, big business
- Political tumult:
  - Outsiders winning in politics—the U.S. Senate, House, and/or presidency changed hands in 3 of 10 elections from 1960 to 1978, but in 8 of 10 elections in the 2000s
  - In 2016, the U.S. electoral college system selected a president with 3 million votes fewer than the popular winner, and the potential exists for a president to be selected with 5 million fewer votes
  - Populist candidates are winning elections across the globe and disrupting democratic norms
- Media unhinged—shift from a few broadly accessed and balanced media outlets to hundreds of platforms that reinforce our existing views
- Climate change morphs into a climate emergency—evidence of warmest weather in recorded history, desertification expanding, more frequent and severe weather patterns, low lying land flooded, agriculture subject to drought and other disruptions to crops
- Development disrupted—the standard development paradigm and norms are being challenged by the entry of new actors (China, newly industrialized countries, foundations, philanthropists, multinational companies); middle-income countries are more in control of their own development and now have their own world class talent; new forms of finance are emerging while official donor assistance is stagnant and increasingly being used to open

markets for the donor's private sector; technology and data are being used to create new solutions and better evidence on aid effectiveness, but such innovation is difficult to harness for public goods

- President and Congress reverse roles—75 years of internationally engaged presidents trying to pry a reluctant Congress into voting for foreign aid has flipped as large bipartisan congressional majorities are rejecting attempts by President Trump to slash international affairs spending

A parallel theme throughout the sessions was that our age of disruption is driving a shift from a "permission-driven" to a "permission-less" society that allows circumvention of traditional "gatekeepers" to empower individuals and those outside traditional power structures to act independently and accelerate the rate of change. This plays out in the following ways:

- To have a public voice, traditionally one had to attract the notice of the monopoly of large circulation newspapers or TV news programs; now you speak out through your own blog, Twitter account, YouTube video, radio or podcast
- Commercial and social enterprises can be funded overnight through crowd funding rather than the extended application process through bricks and mortar banks and established foundations
- Social media and online fundraising have undercut the power and relevance of traditional political party leaders and structures
- The traditional media functions under self-imposed codes of ethics and decades of case law, but social media is free wheeling
- Customers, millennial employees, and investment activists are forcing companies to be more socially and environmentally aware and active
- President Trump pulls the U.S. out of the Paris Agreement on climate change, but Michael Bloomberg and Jerry Brown sign up mayors, governors, and businesses that represent over half of the American economy to remain committed

Until recently, the success of international development efforts in helping lift 1 billion people out of extreme poverty since 1990 and in improving health among millions of women and children has led many to envisage a future when aid will no longer be required. Today, however, the disruption wrought by climate change, migration, violence, fragility, and conflict over scarce resources (e.g., water) is expanding the need for development assistance and global cooperation on public goods.

While there are isolationist and populist tendencies in both political parties, we must be careful and precise in using these terms. Many assume populism leads to authoritarianism. Yet that ignores the contribution of populist movements as a driving

Overheard
AT THE ROUNDTABLE

Liz Schrayer ■ *President and CEO, U.S. Global Leadership Coalition*
As we look to 2020, we know that the playbook has to be bigger, bolder, and more thoughtful. We saw last night [in the Democratic presidential debate that] 7 percent of the entire 165 minutes was spent on foreign policy. Not a lot of talk time.

Bruce Mehlman ■ *Co-Founder, Mehlman Castagnetti Rosen & Thomas*
The age of disruption has enabled permission-less players to emerge and lead, and that's catalyzing this era of empowerment. People aren't waiting on Washington to push for change. On the global stage, for example, when President Trump said America is out of the Paris Climate Accord, Mayor Bloomberg led 800 mayors around the world saying 'our cities are in.'

David Castagnetti ■ *Co-Founder, Mehlman Castagnetti Rosen & Thomas*
We can write on Medium and reach our own audience. We can produce our own shows. We can do our own videos on YouTube. Bruce Mehlman and I do a podcast together that we send out. So there's that constant flow of information going to audiences that we want it to go to. There's no referee anymore leading up to some of the fights.

Laura Tyson ■ *Chair, Board of Trustees, Blum Center for Developing Economies, U.C. Berkeley*
The country needs dramatic, systemic change if we are going to displace the fear, distrust and anger that divides our society.

Steve Kull ■ *Director, Program for Public Consultation, School of Public Policy, University of Maryland*
Polls show a fundamental lack of confidence in the elite, especially those making policy. Trump spoke to these feelings very effectively, striking chords that the elites were not looking out for the common good but were serving their own interests.

force behind many progressive actions by government. In fact, populism is a dynamic of democracy that serves as a warning sign that elites are failing and need to change.

The current tide of populism, while grounded in decades long grievances on the left and the right, was propelled by the Great Recession and was a response to the injustices and inequities of the liberal democratic order. As to the isolationist charge, many so labeled may in fact be "anti-interventionists."

President Trump's inconsistent and chaotic conduct of U.S. foreign policy is likely to be an issue in the 2020 presidential election, driven by Democrats attacking the president for inconsistent and dangerous policies. Critics are concerned about his erratic positions with respect to China, North Korea, Syria, Afghanistan, Russia, climate change, trade, and immigration. The situation on the southern border has been a major issue in the Democratic primary. The intersection of migration and problems of crime and violence in the Northern Triangle offers an opportunity to demonstrate the value of development and foreign assistance. As participants noted, if the U.S. invests at the source of the problem rather than focusing exclusively on the flow of people trying to cross the border, the problem might ease. Another issue of rising importance to presidential candidates is the threats posed by climate change.

A frequent roundtable refrain related to the need to make the narrative on foreign aid and development personal, through storytelling. This can best be done by connecting the international to the local, or, as the U.S. Global Leadership Coalition puts it, "leading globally matters locally." Truman and Marshall had to "sell" the Marshall Plan to the American people and the Congress, and they did so with a social democratic message of lifting up the middle class and with an appeal to American values. This effectively connected internationalism to the well-being of people and the unifying ideals of the country. We must link global development to our economic interests, security, and values.

The conversation should be both pragmatic and about values and social justice. There is the danger of foreign aid being seen as a palliative for an unjust system rather than as a driver of fundamental change for both "us" and "them." The message must combine altruism with self-interest and be the right message from the right messenger:

- For members of Congress and their constituents, link global development to jobs
- For farmers, link climate change to the resilience of agriculture and the difficulty of growing crops—talk about soil and weather
- For millennials, connect development and foreign aid to climate change, migration, corruption, inequality, social justice
- For evangelicals, focus on faith and humanity

- For business leaders, messaging may work best when the champions are millennials, workers, and investor activists
- For defense hawks, connecting U.S. assistance to efforts to thwart terrorism and counter U.S.-China competition could work well
- For populists, measures to help attenuate immigration and improve the wellbeing of Americans may resonate

Fundamentally, the message must be about a shared commitment to common values.

SESSION

2

Consensus issues—Women, youth, and education

Galvanizing support around consensus issues

Broad consensus exists around three issues that are key to development—women, youth, and education.

Women

Given that 2020 is the 25th anniversary of the Beijing Women's Conference, now is an apt time to review the progress and continued inequitable status of women and girls. On average a woman receives 77 percent of the earnings of a man, they tend to be pigeon-holed in gender-stereotyped jobs, and they own less than 10 percent of the world's property. There has been notable if slow progress in improving the state of women between 1990 and 2015, with a 44 percent reduction in maternal mortality, 41 million more girls enrolled in primary school, and women doubling the seats they hold in national parliaments. Still, women hold only 23 percent of parliamentary seats and account for only 15 world leaders. Millions of women lack access to reproductive health services and are disproportionately the victims of war and violence, though they are often excluded from efforts to solve such problems.

The constraints to women's empowerment that must be overcome include adverse social norms, discriminatory laws, the burden of unpaid housework and care, and a lack of access to financial, digital, and property assets. Governments, as major employers and procurers of goods and with the power to set standards, have a special responsibility to move the needle on women's empowerment.

A bold new agenda to speed up the inclusion of girls and women would entail investment and action in:

- Political leadership
- Policies to cope with climate change and food insecurity
- Economic opportunity
- Reproductive health
- Gender-based violence
- Education

A key area for action revolves around the rule of law, with respect to both violence against women and property rights. As laws and customs in many countries restrict women from owning land and inheriting the many small and medium-sized enterprises that are family owned, more inclusive property rights are essential to help correct this inequity.

The case for women's empowerment is a matter of fundamental rights, human development, and economic growth. Women account for half the world's population, are the central caretakers in many families and communities, and tend to suffer

disproportionately from the world's ills. They are closest to the needs and thus hold solutions. All people will benefit from unleashing this potential. Development simply cannot advance without the engagement of women and girls.

Youth

We are living through a youth demographic boom. Today's youth number 1.8 billion—equivalent to a quarter of the world's population and many of them are in Africa.

Nearly 1 billion young people will enter the job market over the coming decade. Unemployed, uneducated young people are not just a burden; they are a threat to themselves and to social stability. But educated and productively engaged young people are partners in solving problems and leading change. Unless the next generation is equipped with skills, the SDGs will not be reached. Skilled and educated youth can drive gender equity and equality, contribute vital productive assets to businesses, and make communities safer and healthier.

Organizations are already coalescing behind this goal. For example, UNICEF and the World Bank launched a comprehensive public-private initiative, Generation Unlimited in partnership with public institutions, foundations, corporations, and civil society organizations. Designed to facilitate the transition of youth to the workplace, it is built around: (1) engaging young people in advancing a youth agenda; (2) accelerating global breakthroughs, such as digital connectivity, portable certification, and job matching; and (3) highly localized, country-specific investment in education and training that is relevant for the workplace and open employment opportunities, including:

- Aligning secondary schooling with labor market needs
- Infrastructure for remote learning and work
- Youth entrepreneurship
- On-the-job up-skilling and apprenticeships

It is critical to set our youth on the path to success. Young people are 25 percent of the world, but 100 percent of our future.

Education

An estimated 263 million children and young people are out of school. Even when they attend school, many students are not learning. Test results in 2018 for seven developing countries revealed that just 12 percent of students met minimum proficiency levels for math and 23 percent for reading, compared to 77 percent and 80 percent in OECD countries. It is estimated that by 2030, 825 million young people will lack basic literacy, numeracy, and digital skills required to compete for a job.

Overheard
AT THE ROUNDTABLE

John R. Allen ■ *President, The Brookings Institution*

The world's population is steadily rising, especially in regions poorly equipped to provide adequate goods and services as well as meaningful economic opportunities. This has serious implications for global stability, especially amidst the increasing pressures of climate change. To meet this challenge head on, we need to begin by defining education in the developing world as a human right, defined in the context of gender equity.

Peggy Clark ■ *Vice President, Aspen Institute; Executive Director, Aspen Global Innovators Group*

If we do not change the intensity and dedication and intent to focus on creating more a gender-equal world, it will be 100 years before we have gender equality in political leadership. It will be another 100 years before we have gender parity and gender equality in education.

Abby Maxman ■ *President and CEO, Oxfam America*

We know that gender is the single biggest determinant of a person's agency in and out of crisis. Yet in 2016-2017, only 4 percent of OECD DAC Members' funding was dedicated to progammes with principle objectives related to gender equality work and women's empowerment. And 62 percent of all aid was gender blind.

Carolyn Miles ■ *CEO, Save the Children*

Equality of women starts with equality of girls. Why do we value girls differently than we value boys? Why do we not invest in their education? Why do we marry girls off when they're 14? It's because that value equation is not there or understood and we have got to change that.

Henrietta Fore ■ *Executive Director, UNICEF*

When they enter the workforce, many young people—8 out of 10—in low- and middle-income countries will be working in the informal sector, including as entrepreneurs. We don't currently teach these skills in school, and we must. This is urgent, because 10 million young people turn 18 every month, and the world is not making 10 million new jobs per month to meet this demand.

Inadequate education is a matter of equity and quality as well as fairness and effectiveness. Today's learning crisis is exacerbated by population growth and the historic level of refugees and internally displaced people—70 million at latest count. Unqualified teachers and corruption in education systems also block effective learning. Sub-Sahara Africa alone lacks 9 million teachers.

A program of action would entail:

- The White House hosting a global conference to launch a 10-year initiative to transform education systems in the poorest countries, particularly for women and girls
- Sustained political leadership in developing countries, new donor and developing country investment, and a U.S. whole-of-government approach
- Training 9 million teachers by 2030
- Engaging non-state actors
- Promoting technological advances in the education sector
- Making learning materials more readily available

Given the correlation between economic growth and learning and the lack of education that holds back unemployed and discontented youth, the ramifications for development are profound.

It's all connected

Most striking in the discussion were the linkages among policies aimed at supporting women, youth, and education. Education is central to the empowerment of women and girls and to the future of the next generation. Schooling is essential to providing the skilled workforce and entrepreneurship that fuels economic enterprise and growth, which in turn provides revenues to fund education. Educated girls marry later and have fewer offspring, the difference being a future world of 9 billion rather than 11 billion, with obvious ramifications for resources and climate. This interconnectedness is reflected in the global consensus around the SDGs, which now provides the dominant frame for the development discourse worldwide but which the Trump administration has avoided embracing, despite how the SDGs elevate key principles of the U.S. approach to development.

Millions of uneducated, unemployed young people with a sense of hopelessness pose a threat to political stability and security; displaced and refugee children, traumatized and uneducated, are the recruiting class for the next generation of terrorists. By contrast, an educated, productively employed youth cadre is a source of solutions and social stability. Jobs connect women, youth, and education.

While education is a discrete sector that requires significant levels of resources, women, girls, and youth constitute cross-cutting themes that need to be built into all policies and programs—education, health, governance, climate, civil society, enterprise development, and so on.

Investing in women, youth, and education is integral to the attainment of fundamental rights, economic growth, and development effectiveness. Such investments are essential to securing world peace and prosperity, and achieving the SDGs.

Move to action

A key issue is scale. In the U.S., we have built micro-consensus around discrete development topics—education, women and girls, youth, health, water, and agriculture. What is missing is a broad consensus on how these silos function together to advance development. Ramping up ambition may require aligning these consensus issues around a big idea—as accomplished with initiatives such as President's Emergency Plan for AIDS Relief (PEPFAR), MCC, Feed the Future, and Power Africa.

In the past, it has been the government that has moved a big ideas. Now—given current political, economic, and social disruptions that have forged an increasingly permission-less society—it's more likely that audacious breakthroughs will come from outside government or be a joint public-private initiative. Some government leadership to nudge along such action may be critical, particularly in convening and leading internationally.

As we face many of the same issues around education, women, and youth here in the United States, although at a different level than in developing countries, the potential of connecting the local to the global is tangible and offers a way to engage the energy and vision of the American people.

A note of caution—while this composite of women, youth, and education make a coherent whole, the fundamental issue is whether these are the issues that resonate in developing countries. A consensus among developed country experts is nice, but what about the interests and views of those in developing countries? Positioning U.S. leadership in terms of the SDGs will be imperative to country ownership and also make it easier to attract major partners to work together to make progress on these issues simultaneously.

Global Economy and Development at BROOKINGS

SESSION

3

Wedge issues—climate and refugees

Climate change and refugees: Existential wedge issues

Climate change and refugees defy easy bipartisan solutions and their paths are interwoven, including with women, youth and education.

Climate

As the climate crisis worsens exponentially, it is disproportionally hurting those who have contributed the least to its causes—poor countries, poor communities, and the most vulnerable, especially women and children.

The crisis is manifested in many forms—more intense cyclones, storms, and forest fires; drought-impacted agriculture and desertification; rising sea levels; ocean acidification; air pollution; shifting rain and temperature patterns; loss of biodiversity. These harms profoundly affect the economic, security, social, and humanitarian spheres. The fall out is precipitating large-scale human migration; intensified intra-and-inter-state competition for resources (food and water); more severe disease outbreaks; and, demonstrably here in the United States, stress along the southern border—all of which jeopardizes global and regional prosperity and stability.

The climate crisis is increasingly pushing people to flee. It is estimated that one-third of the 68.5 million refugees and displaced people in 2017 moved because of a sudden onset of weather. The World Bank estimates that Latin America, sub-Saharan Africa, and Southeast Asia will generate 143 million climate refugees by 2050. Climate change is one cause of the migration to the U.S. border from the Northern Triangle of Central America and from Africa to Europe. It is leading to an understanding that the only sustainable way to resolve these problems is tackling them at their origin, by helping communities and fragile states become more resilient to natural and manmade disruption.

While climate change is often treated as a matter for the long-term, it also is a "now" issue, something that is affecting us today and the solutions to which cannot be put off for the long-term. Youth are undervalued as committed stakeholders who can provide the energy for tackling solutions now. Older generations tend to view climate as a long-term problem, while young people see it as a real and present threat that will dramatically jeopardize their well-being,

Young people, as "permission-less leaders," are speaking out and mobilizing globally to demand serious commitments and real action. In the United States, it is not just the traditional Democratic constituency for climate action that is speaking up. A recent poll revealed that 75 percent of Republicans under the age of 40 favor action on carbon emissions, and 85 percent are concerned with their party's position on climate, suggesting the emergence of a generational climate action movement.

Further evidence of the potential for climate to bridge the partisan gap is that 13 governors launched the U.S. Climate Alliance in 2017, pledging their states to adhere to the U.S. national commitments under the Paris Agreement on climate change. Today, this

group comprises 25 governors representing a majority of the U.S. populace and GNP. The alliance includes representation not just from the two coasts, but also from states in the middle of the country. These states have been collectively reducing carbon emissions at a higher rate than the country nationally and their economies are doing better in terms of growth and job creation. Some of the solutions on their agenda include: low or zero carbon power; non-wire utility alternatives to reach clean energy goals; and shifting to zero-emission vehicles.

A major issue in the climate debate is the impact on jobs and economies that are dependent on fossil fuel. Fairness in the transition to clean energy is a significant concern with serious political implications and must be addressed. Fortunately, assessments of the economic impact of climate change are evolving to recognize that the transition to a green economy does not automatically imply major economic losses and can be a net economic gain, creating jobs and business opportunities. Enabling a just transition, however, requires focusing policy interventions directly on the specific people and communities whose jobs will be affected. China, a country that invested heavily to become a clean energy technology and product leader, is outdistancing the U.S. as a commercial clean energy winner and continues to spread its economic benefits widely to its most economically vulnerable communities.

Clean, climate resilient infrastructure is becoming a significant issue for development finance, and the nature of China's investment in Belt and Road Initiative (BRI) investments will affect the ability of the world to stay under the 1.5-2.0 degree Celsius threshold.

So, despite being a wedge issue, opportunities exist for building a consensus around climate change, for the following six reasons:

1. Recognition of the massive disruption already being caused
2. Focusing on concrete local problems and practical solutions as is happening at the state and community level
3. Positive economic prospects, as long as those hurt by the transition are dealt with fairly
4. Security and political threat posed by climate refugees at the U.S. border and Europe
5. Growing consensus around the need to build resilience in affected countries and communities
6. Priority of the younger generation

Refugees

The forced mass movement of people—refugees and internally displaced persons (IDPs)—reached an historic high of 70 million in 2019. This acutely involves women and children, as 50 percent are women and girls and 52 percent are children under the age of 18. As of June 2019, 26 million of those displaced were refugees.

Overheard
AT THE ROUNDTABLE

Mary Robinson ■ *Chair, The Elders*
We have to **imagine this world we want to see** and get to it very quickly. We know it to be a much healthier world. It has to be a much fairer world. We don't talk about it enough.

John Podesta ■ *Founder and Director, Center for American Progress*
We know the effect of **climate change will have a massive disruptive effect** on human population, particularly the most vulnerable, who are ironically the people who contribute the least to the problem.

Wade Warren ■ *CSO for International Development, Deloitte Consulting*
Since I joined Deloitte about a year ago, I've been struck by the cutting-edge technological tools that are being widely used in the commercial sector. In government, generally, and in the development sector, more specifically, I think we've been very slow to take them up. They offer exciting possibilities for accelerating development results, and we, as a community, would be well-served to embrace them.

Scott Jennings ■ *Partner, RunSwitch Public Relations & CNN Political Commentator, Columnist*
If you're competing on policy ideas for these younger voters, you can't beat something with nothing. I don't know what the solution for the Republicans is going to be, but it strikes me that **if you're a Republican and you don't want to live with the Green New Deal sometime in the future, then you're going to have to come up with an alternative.**

Matthias Berninger ■ *SVP, Public Affairs and Sustainability, Bayer*
We all should be alarmed by how much climate change is affecting agriculture in the United States. **The resilience of U.S. agriculture could be one of those topics that helps move the debate away** from lifestyle or ideological questions to something different.

There are multiple aspects to this crisis. A most obvious one is education—14 million child refugees are not in school, are lacking the skills necessary to be productive members of society, and are suffering from trauma. Where are these refugees and IDPs? According to the OECD report "States of Fragility 2018," 6 of the 10 countries hosting the greatest number of refugees are fragile states, as are 8 of 10 hosting IDPs—countries least capable of providing education and other critical services. Despite refugees and IDPs often being in "captured" situations with nothing to do, and some of the population being teachers, and education being a key palliative for trauma, only 2 percent of humanitarian assistance is allocated to education.

A second critical aspect of this mass displacement of people is security and political stability. Displaced persons put added pressure on already fragile and underserved communities and governments with minimal capabilities and serve as potential candidates for recruitment into terrorism. Further, populism and nativism are on the rise in advanced countries managing large influxes of refugees. Refugees are serving as the goad and scapegoat for illiberal democratic forces.

A third aspect is the normative. The mass displacement of people is straining the traditional international norm of providing refugees a safe haven. The numbers are so large, the disruption so overwhelming, that the human element is being overridden, undercutting the political motivation to lift these individuals—mothers, fathers, children—out of deplorable and life-threatening circumstances. As is so often the case, it is women and girls who are the most endangered. It is estimated that one out of five women and girls in emergency situations are physically or sexually assaulted, yet only one percent of humanitarian assistance goes to dealing with violence against women.

The nexus between technology and humanitarian assistance has been underexplored. There are opportunities for utilizing technology for improving how refugees and IDPs are served. Technology is being used to find people and identify their backgrounds. Digital and mobile technology is being used to provide people with funds but there are too many service providers using their own digital systems for a limited range of services instead of a common platform. It would be most effective if a refugee or IDP could have a single card for multiple services that can also serve as an ongoing source for finance and identification. Hopefully we are on the cusp of breakthrough public-private collaboration in this arena.

There is growing understanding that refugees can be an economic asset. A few countries, and some cities in the U.S., recently have issued invitations to refugees as they are recognizing that the short-term financial burden is more than offset by long term economic energy. What is missing is "formal labor market access" that allows refugees to become productive employees and entrepreneurs. The benefits include increased labor supply and great economic efficiency, innovation, new employment opportunities for host citizens and refugees, greater consumer spending, increased revenues, greater workplace protections, and enhanced security and stability.

Interconnectedness

The intersection of climate and mass movement of people is unmistakable, as is their link with education, women and girls, and youth, and with peace, prosperity, and security. This complexity highlights the centrality of SDG 16, with its focus on peace, justice, and strong institutions, to achieving sustainable development, and reinforces the bipartisan consensus that promoted this goal and focuses U.S. assistance on democracy and governance. What is also clear is that to make these complex interactions understandable to the body politic, it is crucial to message on a personal, practical, and individual level.

That is accomplished through tackling concrete problems with tangible solutions and bringing people into direct contact, as done by organizations that take members of congress and opinion leaders on trips to visit the southern U.S. border, international refugee camps, and vulnerable populations in developing countries. This direct exposure is often transformational to an individual's understanding and attitude toward these issues.

Breaking through at a personal level and making an emotional appeal can in turn make policymakers or voters receptive to facts on the ground. Such an approach is an effective way of appealing to our shared humanity. By making the global local, policymakers and voters can understand how and why it is in the U.S. national interest to address global issues before they affect us here at home.

SESSION

4

Fragility

Existential threat

Fragility poses an existential threat to development. The 2018 OECD "States of Fragility" report calculates that people living in fragile contexts will grow from 1.8 billion in 2018 to 2.3 billion in 2030. By that year, 80 percent of those living in extreme poverty will be in fragile countries, the preponderance of which will be in Africa and the Middle East, followed by Latin America.

But fragility is not just a threat to development. It is also a political, economic, and security challenge. It is a common denominator in rising trends in violent conflict, pandemics, and forced migration. Fragile states are most vulnerable to climate impacts and predations of regional and great powers, have the fastest growing and youngest populations, and, are plagued by poor governance and rampant corruption. In other words, fragility is a threat to global peace, prosperity, and stability.

There is broad understanding in the development community that fragility is the principal obstacle to reducing global poverty and reaching the 2030 objectives of the SDGs, and that the root cause is a broken social compact between citizens and their government. The development community is coming to recognize that the traditional approach of development—one-off siloed sector projects, sanitized from local political dynamics, driven by donor country priorities—does not work in fragile environments.

The security community is confronted with the challenge of fragility on a daily basis. While security and foreign policy elites are more focused on issues such as nuclear proliferation and specific country threats, some in the security community are recognizing that the $6 billion spent since 9/11 on security and kinetic approaches to violent extremism has fallen short.

While it is heartening that policy experts and field operatives in the development and security communities are galvanized around fragility, effective action requires a broader consensus that includes diplomatic and political leadership and cuts across the development, diplomacy, and security communities.

Tackling fragility: Toward a strategic approach

In the past several years, policy experts—as reflected in the administration's Stabilization Assistance Review (SAR), the congressionally mandated Task Force on Extremism in Fragile States hosted by the U.S. Institute for Peace, the U.S. House passed Global Fragility Act, policy initiatives by the World Bank and the U.K.—are coalescing around a more strategic approach to fragility. Key elements of the approach include recommendations to:

- Engage at the political level in donor and host countries
- Ensure local ownership in setting priorities, designing actions, and implementing programs

- Consolidate and align donor engagement on country-led strategies
- Prioritize political and economic inclusion
- Focus on concrete, achievable successes to build trust
- Set a long-term strategy adaptable to changing circumstances
- Engage at the national and local level

With growing consensus on the "how," the challenge is implementation. For the U.S. government, this requires reaching agency-wide consensus on strategy, as would be required by the enactment of the Global Fragility Act, and blowing up sclerotic bureaucratic structures to better align roles and responsibilities. This is being done at USAID with the consolidation of the functions of humanitarian relief, food security, conflict prevention, stabilization, and resilience into three reconfigured bureaus under a new Associate Administrator for Relief, Response, and Resilience. It also means transferring greater authority and flexibility to the field. It requires preventing short-term security/foreign policy concerns from overriding long-term development objectives such as combating corruption and entrenched exclusionary politics.

The business model needs to move from risk avoidance to risk management. It should incentivize experimentation by rewarding innovation that succeeds while also allowing for the harvesting of knowledge and lessons learned when failures occur. Many of the required tools and knowledge already exist, but they need to be freed of bureaucratic barnacles and allow for adaptation and adjustments in line with specific contexts.

Building consensus and political will

The main ingredient that is missing is political will, which can only be fully mobilized by getting buy-in, not just from policy and field experts, but from political decisionmakers, and by understanding the long-term costs in money and human lives from inaction now. Obtaining such buy-in requires a reassertion of U.S. global leadership, since America's responsibilities and credibility have weakened as the U.S. administration has stepped back from the world scene and pursued conflicting and erratic policies.

Leaders in the defense establishment constitute a powerful constituency—getting them to carry the development community's message of the need for a coherent approach to fragility can be a powerful way of building political will. Imbued with institutional credibility that commands attention, the defense community can explain the field-tested imperative that stable communities make for viable states. In other words, sowing peace is the best way to avoid the U.S. having to expend its military resources.

Prevention

The security community also understands the importance of prevention—providing support before fragile states become failed states. A key change in the approach to fragility is to catch it early, when institutions and social norms with which to work still

Overheard
AT THE ROUNDTABLE

Sam Worthington ■ *CEO, InterAction*
At least in the NGO community, fragility is the Achilles heel of the SDGs.

Nancy Lindborg ■ *President, U.S. Institute of Peace*
We have the greatest success in engaging the security community when we make it very clear that fragility is the common denominator in many of the global threats that face us today. It's not just the extreme poverty challenge, it's the massive migration, civil war and violent extremist challenge.

Michael Gerson ■ *U.S. Senior Fellow, ONE Campaign; Washington Post Opinion Contributor*
One problem that I saw when I was on White House Staff is that Americans have a lot of sympathy for natural disasters, and much less sympathy for man-made disasters. It matters.

Elizabeth Cousens ■ *Deputy CEO, United Nations Foundation*
It's worth remembering that prevention was also really compelling 25 or 30 years ago, when the Carnegie Commission on Preventing Deadly Conflict and many others did such foundational work in the 1990s. It would behoove us to look at why we struggled so mightily even then to get beyond the principle to a something more operational and politically actionable.

Alice Albright ■ *CEO, Global Partnership for Education*
External support to education should be directed to the countries that need it most, and where there is political commitment to reform and sustained domestic finance.

exist. A prevention strategy is logically, economically, and morally powerful. Analytic tools exist to predict the spiral from fragility toward collapse; they should be deployed and acted upon. Prevention efforts need to be inclusive, especially of women and minorities, and deployed before causal factors break down the social compact and large swaths of the population become radicalized.

Private sector

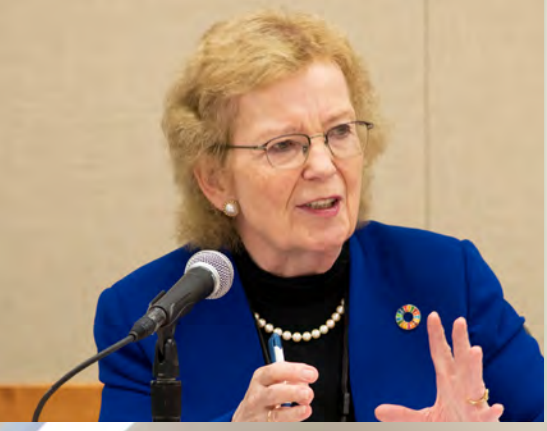
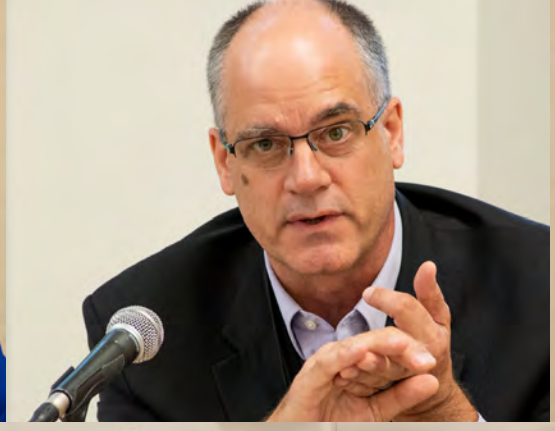
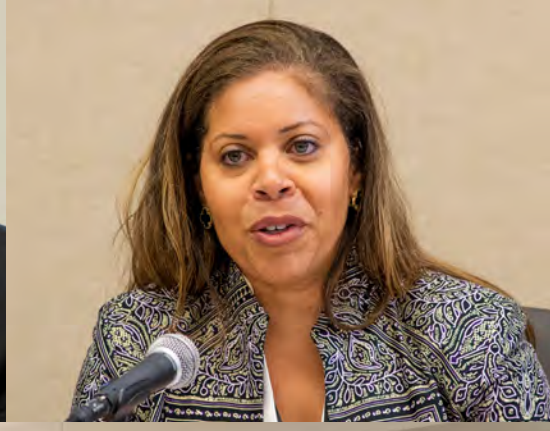
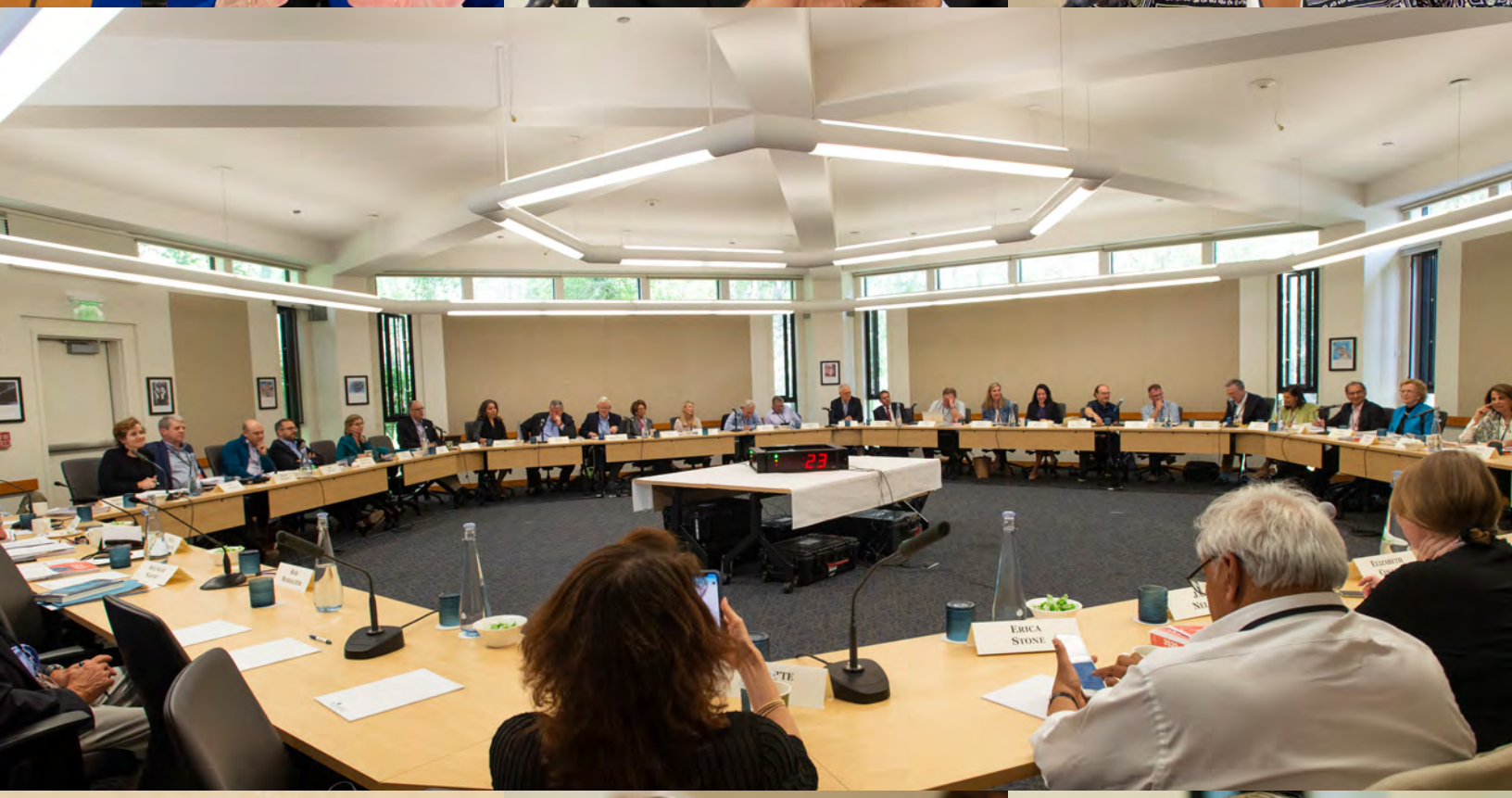
An overlooked actor in tackling fragility and building resilience is the private sector—both international corporations and local enterprises. Although fragile environments are often seen as too risky for foreign investors, one-quarter of USAID's public-private partnerships and of OPIC's projects are in fragile states. The BUILD Act provides a mandate for the new U.S. Development Finance Corporation (DFC) to prioritize poor and fragile countries. But the role, and therefore support for, indigenous enterprises is even more important, and the BUILD Act promotes this by unleashing the DFC from the requirement that any investment project it supports include an American investor.

It is in these uncertain environments that blended finance and technical assistance can make a difference in strengthening institutions and incentivizing investors through risk mitigation. While supporting multinational investment in fragile states is appropriate, public institutions also need to hold international companies accountable for practices such as transfer pricing and tax evasion, respecting human rights and environmental protection, and abiding by international principles such as steering clear of conflict minerals.

A Narrative to prevent fragility

A narrative that will galvanize broad U.S. and international support will require a construct grounded in shared understanding and shared values. For the development community, the most important pillar is the existential threat that fragility poses to reducing global poverty and reaching the SDGs, especially goal 16 (peace, justice, and strong institutions). For the security community, it is avoiding sending troops into uncertain and violent environments. For diplomats, it is saving the world from terrorism and advancing U.S. global influence. For political leaders, it is U.S. and global prosperity and stability. For the American people, it is a matter of values and keeping America safe.

As one participant expressed, what is the secret sauce? The secret sauce for PEPFAR was saving lives. For Feed the Future, it was giving families and communities in poor places the opportunity to lift themselves out of food insecurity and malnutrition. For the BUILD Act, it was building strong economic entities and compete with China. Maybe for the Global Fragility Act it is the opportunity to keep America and U.S. allies safe and prosperous.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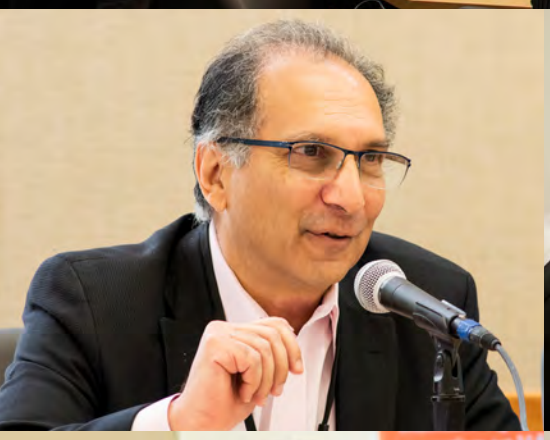


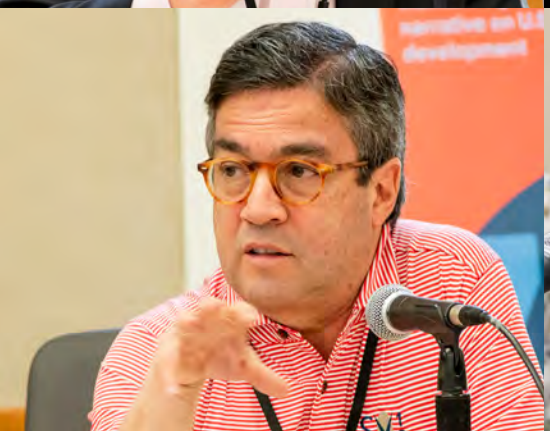

Global Economy and Development at BROOKINGS

SESSION

5

China

Imagining a strategic U.S. response to China challenge

China and the United States have the most consequential relationship of the 21st century. The issue for the U.S. is how to respond—as a dominant power that raises its defensive barriers to ward off the challenge of a rising power, or, as a prescient protagonist that plays on its strengths and adjusts to a new global power dynamic? Will the strategic rivalry usher in a new cold war or can a win-win balance be found that balances competition with collaboration? An unfettered clash over global preeminence could cost both sides dearly, disrupt global supply chains, bifurcate technology standards, and stall collaboration on climate change.

Countering a competitive threat

In the U.S., the stance popular with both political parties is to view China as a singular threat to American dominance and to the post-World War II international order. As proof of the economic and security threat posed to the U.S., people endorsing this view point to China's theft of intellectual property, forced technology transfer, and to the subsidies the government extends to Chinese companies. Proponents of the China threat school of thought also cite unfair trade practices, disrespect for human rights that is now reaching heightened visibility with the 2019 protests in Hong Kong, collaboration with authoritarian governments, and BRI projects that fuel corruption, degrade the environment, use Chinese workers in countries where locals desperately need jobs, and saddle countries with an unsustainable debt burden.

The Belt and Road Initiative

Those in the "threat" camp think cooperation between the two countries is possible only if China changes its behavior. In the international development arena, this would entail structuring projects to better reflect development safeguards prioritized by traditional donors meant to protect all interests in developing countries, not just the ruling elite —offer less onerous financial terms, attend to environmental and climate impact, stop supporting repressive regimes and providing them tools for censoring and regulating internet access, and embrace open, transparent, and competitive bidding.

Our partial knowledge of BRI suggests the initiative is over-hyped—the actual flow of money does not match public announcements of financial commitments. Some projects do carry negative impacts, including burdening recipients with unsustainable debt. But other projects are developmentally beneficial, and deeper research reveals that some infrastructure projects are executed efficiently and create a more equal distribution of economic activity.

Cooperation and competition

The alternative camp, which tends to be endorsed by those outside political circles, does not reject this assessment of Chinese behavior but sees the U.S.-China relationship as complex. People endorsing this viewpoint distinguish between areas for potential collaboration and areas of strategic competition. They see few parallels between the U.S.-China relationship and the longstanding tensions between the U.S. and Russia. The latter, at its core, has been a struggle for security, which the U.S. won partly through military superiority, but also thanks to American competitiveness and liberal democratic values. In contrast, the U.S.-China struggle, which clearly has a security component, fundamentally is a competition for commercial dominance, not least of all in the arena of trade and advanced technology, with artificial intelligence and supercomputing of particular concern.

This more pragmatic stance is built on several trends and data points, specifically with respect to some abiding misconceptions about trade. Consider the following:

- Contrary to news headlines and tweets by the U.S. president, the main driver of America's trade deficit is not unfair trade with China, but the low U.S. domestic savings rate
- While trade with China does destroy some U.S. employment, it also bolsters some 1.8 million U.S. jobs

Out of the Gobi

Weijian Shan ■ *Chairman and CEO, PAG*

Weijian Shan kicked off the China session with a presentation drawing from his memoir, "Out of the Gobi," which includes an account of his years of hard labor in the Gobi Desert, his eventual studies in the U.S., and his current role leading PAG, a successful private equity investment firm.

Shan was 12 years old in 1966 at the outbreak of the Cultural Revolution, which closed schools and left youth to join the Red Guard. The nation descended into civil war, anarchy, and famine. Chairman Mao then sent youth and those considered bourgeoisie to the countryside to reform their outlook, learn from peasants, and help develop poor rural areas. With primitive housing and little to eat, Shan spent years as a coolie working (with futile results) on a barren landscape. He educated himself through the few books he could purloin. Shan bemoans the fact that most of his peers from that era were relegated to the bottom segment of society due to 10 years of lost education.

After Mao's death in 1976, Deng Xiaoping came to power in 1978 and put China on a different path. Shan came out of the Gobi, won a scholarship to University of San Francisco in 1980, for which he was totally unprepared, and parlayed that opportunity into a Ph.D. at Berkeley, a professorship at Wharton, and later success in investment banking and, later, private equity investing.

Unlike others who see a special China model, from Shan's perspective, the economy's astounding growth of the past 40 years has proved Adam Smith correct—the wealth of nations depends on markets. While the country's success was due in large part to market economics, continued growth will require major structural reforms to reduce state domination.

- Accounting for affiliates in each country, the U.S. actually sells more exports to China than vice versa
- In the development arena, there is recognition that, while there clearly are unfavorable practices and ramifications from some or many BRI projects, that is not the case with all, and China is providing important financing that is often otherwise not available for developing country infrastructure

This perspective sees collaborative potential in areas that lack geopolitical sensitivity—tackling pandemics, advancing global health, and addressing climate change, education, and poverty reduction.

Geography will impact the nature of the relationship. China has a strategic interest in Asia that will lead to competition with the United States, whereas the two countries may be able to collaborate in regions more remote from China, and in geopolitical hotspots where both superpowers share an interest in tackling phenomena such as terrorism, as in Afghanistan. Cooperation in these cases is more likely to take the form of information sharing, avoiding overlapping efforts, complimentary work, and restraint from obstructionism rather than joint activities.

China's goals and playing to U.S. strengths

A key determinant in forming U.S. policy is a careful assessment of China's strategic objectives and of areas where America needs to rebuild its own competitive edge. With respect to development assistance and the BRI, China's aims appear to be to stimulate its economy, access markets and strategic assets, and extend its political and strategic influence. The first order of business for the United States in responding to the China challenge is to get its own house in order—invest in America's antiquated infrastructure, innovation, technology R&D, education, and clean energy, among other critical needs, and settle on a bipartisan strategic approach to immigration and diplomatic priorities.

A second priority is to play to our strength—in entrepreneurship, information, innovation, and building alliances. The U.S. led the creation of the OECD's Development Assistance Committee (DAC) as a mechanism to incentivize other wealthy countries to join in the effort to support developing countries. The DAC has been the forum for establishing global norms for development cooperation. With U.S. leadership and willingness to engage China and openness to rethink existing standards, the DAC could serve as a venue for traditional donors to work with China and other new donors on a revised set of global development norms.

Adapting development finance to bring in China

Competition with China was a key ingredient in attracting support for the BUILD Act. But the resources available to the new DFC pale in comparison to the tens of billions being channeled through the BRI. While the U.S. cannot fund the DFC at nearly the level China is financing the BRI, America can compete by offering a more transparent model based

on global standards and collaboration with the private sector. Furthermore, using the standards of the DAC or the International Development Finance Club (China Development Bank is a member) to set norms, the DFC, in collaboration with other institutions, can reach the scale to provide an alternative to the BRI.

At the same time, the U.S. and allied players in the development arena could work to influence China to pursue better development finance practices. The scale needed to secure the investment requirements of developing countries and the SDGs can be reached only through the contribution provided by grant and loan assistance, blended finance, and development finance. Getting there requires collaboration with, and investments by, the private and philanthropic sectors. In such a scenario, it will be the responsibility of donor governments to take the lead to establish common norms and collaborative alliances.

China's next generation innovators

Entrepreneurial spirit abounds in China, with a new generation evincing an independent dynamism and revised perspective regarding philanthropy and doing good while doing well. For example, the top ranked Chinese philanthropist, Xu Shihui, in 2017 donated $148.1 million to Hui'an No. 1 Middle School in Fujian Province. High net worth Chinese entrepreneurs are leading their corporations into giving akin to Western philanthropy and are potential partners for collaboration.

Toward an enlightened U.S. approach

Forging a U.S. response to the Chinese challenge that will build on American strengths and bring China into a refreshed global order will not be easy. Where do we need to assert competition and where will collaboration work? History tells us that if you persist in describing another government as a threat long enough, and use the term enemy repeatedly, a self-fulfilling confrontation will result. Provocation will lead to conflict. There is no question that China is a powerful competitor, but there are also areas for collaboration. If the two giants can collaborate on a few big issues, as occurred in 2017 on climate change, maybe the threat of a 21st century cold war can be attenuated.

Rather than stepping back from U.S. global leadership and thereby ceding ground to China, America should reassert its global role. Rather than trying to slow China down, we should focus on speeding ourselves up.

Americans should have more confidence in our model and devote more effort to promoting our pro-democracy, liberal economic model rather than trying to tear down China.

Overheard
AT THE ROUNDTABLE

Jake Sullivan ■ *Montgomery Fellow, Dartmouth College*

The single most important feature of U.S. policy towards China is what we are doing to get our own house in order and invest in our own sources of national strength. Whether you're talking about infrastructure, innovation, clean energy, immigration or diplomacy, the record of recent policy has not been good.

Minxin Pei ■ *Pritzker Professor of Government, Claremont McKenna College*

In terms of our psychology, **we've passed the tipping point.** The elites in both countries believe firmly with a great deal of justification that the two countries are headed toward an open-ended conflict.

Sundaa Bridgett-Jones ■ *Director, Global Policy and Advocacy, The Rockefeller Foundation*

Philanthropists in China gives about $24 billion now compared to $6 billion in 2009. We are seeing, particularly in China, a next generation of high net worth individuals who not only have resources but a deep and growing commitment to social change.

Robert Mosbacher, Jr ■ *Co-Chairman, Consensus for Development Reform*

If the Chinese are willing to embrace open, transparent and competitive bids for projects, and to financing terms that are affordable for the host country, but not so highly subsidized that they crowd out other public and private sector sources of financing – and do so in a way that seriously considers the environmental and climate impact of their projects – then I think we can work together.

Jim Richardson ■ *Director of U.S. Foreign Assistance Resources, U.S. Department of State*

There is an opportunity for us to be able, with the DFC, with USAID, with the State Department and the rest of the U.S. government, to offer something better as an alternative. If China's the only option, that's where [developing countries] are going to go. The United States needs to offer a better solution.

SESSION

6

Selling the narrative

Toward an updated storyline

In the final session, participants exchanged ideas on how to refresh the development narrative.

Hope versus fear

Should the message be negative or positive, one of fear or hope, based on threat or opportunity? Should we cite examples such as the danger of a global pandemic or the chance to end polio as was achieved with small pox? The answer seems to be a little of the former and a lot of the latter —fear as the background, but hope in the foreground.

Drawing from modern U.S. history, it is worth recalling that the Marshall Plan was sold to the U.S. Congress and the American public based on three broad action goals:

1. Ensure communists were defeated in European elections
2. Rebuild a devastated post-war continent, following America's moral duty to help those in need and our commitment to democratic principles
3. Achieve the first two goals while building markets for American goods

In other words, the campaign for the Marshall Plan combined a threat, a moral imperative, and our own national self-interest. It championed a message about building the middle class here in the U.S. and in Europe.

A more recent example is PEPFAR, which was pitched as a moral issue on which the U.S. should act. The reasoning: with prosperity comes responsibility, and so the United States should facilitate the saving of lives in Africa. Accompanying this narrative was also an economic imperative: "We need to stop the scourge there so it will not spread to the U.S. and we cannot expect Africa to be a good economic partner if it is wracked by HIV/AIDS."

Participants agreed that fear may have more clout with policymakers than with the American people. Congress tends to respond to the security rationale, while the public leans toward messaging that appeals to U.S. values, morality, and the opportunity to do good. But fear can be a dangerous strategy, often leading to miscalculations and exaggerated perceptions that are hard to walk back from. While hope can lead to dashed expectations, such disappointment can be overcome by refocusing investment efforts.

Indeed, there is much to be feared in the world today—terrorism, pandemics, nativism and authoritarianism, cyber hacking of elections, loss of jobs from trade and technology, and possible economic recession. But an agenda dominated by such fears is more likely to lead to a retrenchment from the U.S. global leadership that has helped advance American economic growth and security in the post-World War II era. By contrast, hope and the opportunity to do good are more likely to galvanize support for U.S. global engagement.

A refreshed narrative for U.S. global leadership

In an era disrupted by what is often characterized as isolationism or populism, what is the right message? It is populism that has the momentum not isolationism? Notably, some of those categorized as isolationists may in fact be internationalists wary of specific U.S. interventions. As for swelling populist sentiment, effective messaging will require addressing its core drivers, among them a distrust of elites, based on the view that they are not looking out for the common good, and the perception that globalization, technological innovation, and corporate bosses are hurting the average worker. One billion people have been lifted out of poverty since 1990, but the least advantaged in better off countries are suffering. This concern that average citizens are not benefiting from global and national economic progress needs to be addressed to harness populism for the greater good.

If the liberal world order is to emerge from the strain it is under today, it will be critical to shape and repurpose it in ways that are relevant. The American people support a rules-based system, collective security, global collaboration on global public goods, and other core elements of that order. However, the narrative needs to also revolve around improving living standards in poor and wealthier nations alike. Polls reveal that Americans largely support working with others on global problems, so perhaps a more tractable concept to use is "international cooperation" rather than the elite sounding "liberal world order."

A refreshed narrative will have the same basic components that have been prevalent since the Marshall Plan: The security element will be based on the need to make the world less dangerous, which can be achieved most readily by mitigating social conditions that produce terrorism and other dangers. Such preventive action is preferable to waiting until kinetic military action is required, which in any case only deals with the manifestations of social ills rather than root causes.

Arguments based on self-interest should highlight how the U.S. will benefit economically and politically from a stable, prosperous world. In today's frame, this needs to be put in terms of how to make the world work for everyone while generating a good return on investment.

The moral case for U.S. engagement is most likely to capture the imagination of the American people and connect to the country's long-term interests. Americans have a fundamental belief in the moral imperative to lend a hand to those in need, leading to a values-based engagement. Such a framing also matches up with what Americans conceive as their success in solving problems by applying entrepreneurship, ingenuity, innovation, and technology. Appealing to the inherent goodness, compassion, and optimism of Americans can be effective.

Overheard
AT THE ROUNDTABLE

Charlie Dent ■ *Senior Policy Advisor, DLA Piper LLP (US)*
You've got to sell what you've got in the United States, in the communities of members of Congress. That means people in this room and people at State, USAID, and related agencies need to get out into the country, go into congressional districts and talk about what they do and why they do it.

E.J. Dionne ■ *Senior Fellow, Brookings Institution*
We live in a moment that celebrates individual autonomy. Yet, many younger people are using their autonomy to battle for social justice. How do we make sense of that? I think that echoes the dual nature of the American character, that we both revere individualism and we love and seek community.

Raj Kumar ■ *President and Editor-in-Chief, Devex*
What we're about to see is a title wave of new funding coming into the development sector and coming from a relatively small number of families in the country. There's an opportunity to think about how we catalyze that funding and direct it in a way that is part of a broader narrative around U.S. leadership on these issues.

John Norris ■ *Deputy Director, Policy and Strategic Insights, Gates Foundation*
I would argue that at this moment, as we make the case to the American public rather than to Congress, we really lean in on the opportunity side. I think there is a pent-up demand, a real eagerness to talk about the world in ways that aren't just scary, rather than trying to frighten people all the time.

Michael Froman ■ *Vice Chairman and President, Strategic Growth, Mastercard*
Social impact is in the shareholder's interest, and it's necessary for companies to find a way to do it on a commercially sustainable basis.

A multi-tiered message

Differentiating messages for distinct audiences, conveyed in ways that reach them where they are, framed around their main interests and local priorities is what works. The people delivering the message need to be trustworthy and ideally from one's own tribe. For evangelicals, messages may be most compelling if grounded in faith and moral commitment. For defense hawks, security concerns, including the threat of terrorism, are likely to galvanize support for U.S. leadership in development. For business leaders, strong messaging might touch on markets and the expectations of their socially conscious trustees, millennials, investors, consumers, and activists, and the recognition that their commercial operations have far-reaching effects in helping the world achieve the SDGs. For workers and business people, it may center around raising living standards the world over—after all, it is in everyone's interest for 1-2 billion people to achieve upward mobility and become active consumers. For Fox News opinion makers, arguments based on return on investment and showing what works are persuasive. For populists, it might be highlighting the ways in which development policies are improving the lives of Americans—rich and poor, urban and rural alike. For local leaders, support for the development narrative will hinge on recognition that global problems have local implications at the county, city, and household level. For internationalists, it is making the world a better place.

Both public and private actors play a role in the global development landscape. In recent years, private aid has swelled. Official development assistance is stagnating, while private and philanthropic funding is expanding. Private actors are both a target for the message and can themselves be important messengers.

Also important to consider is the breadth of the message. Is it best to stress the visionary and far-reaching or instead focus on targeted numerical goals? Turning again to the examples of the Marshall Plan and PEPFAR, it seems that a combination of an aspirational vision with specific targets works best. Today the development agenda can be broken down into three categories: global public goods (climate and peace); specific development issues (poverty reduction, women's empowerment, humanitarian assistance, health, education, infrastructure); and U.S. relations with allies and competitors.

Big ideas

Participants were unanimous that it is time to take action. While some favor finding one issue around which to rally, there is also a sense that each of the topics above offers a powerful narrative.

Prevention. Shoring up the resilience of countries at risk of tipping into fragility or failed state status offers a resonant message. It contains fear and hope. It speaks to all three elements of a compelling narrative—the security component of preventing the emergence of an environment that breads terrorism and instability; the compassionate element of reducing poverty and reaching out to those in need; and the self-interest

case for strengthening potential U.S. economic partners, protecting regional stability, and avoiding problems that eventually could affect us here at home. In addition, prevention is not just a we-they issue. Countries, including the U.S., exist on a spectrum of fragility. Indeed, citizens are recognizing the fragility of our democratic processes and the shakiness of today's political consensus in support of America's domestic and international order.

Education, women and girls, and youth could lend themselves to a joint approach. Together they contain the element of fear—the dangers of an uneducated, unemployed, discontented next generation—and hope regarding the contribution to be made by an educated, employed next generation, especially of women and girls. Several generations of educated, empowered women and girls offer a vision of stemming global population growth and its impact on the earth's environment and their contribution to the political and economic advancement of their countries.

Equipping women, girls, and youth for success will require a global partnership that would train millions of teachers and use public-private partnerships to bridge the school-to-work transition for jobs for the next generation. Generation Unlimited would go some way toward this by committing to train 9 million teachers by 2030. Yet we need to go further. Sustaining a pipeline of educators sufficient to the task will require training tens of millions of teachers, especially women, over the coming two to three decades, as many of those trained will move from the education system to economic and social enterprises and public service, which will help build the economy and solidify the social compact. Such an undertaking would align well with USAID's Journey to Self-Reliance strategy, which focuses on building the capacity of developing countries so they can assume control of their own futures.

Climate and refugees constitute overarching global public goods issues. In the absence of urgent actions to tackle the climate crisis and in a worst-case scenario, humankind faces an uninhabitable earth. Even in a less apocalyptic scenario, we face increasingly extreme weather patterns and millions seeking refuge in wealthy countries. Either way, vulnerable women and girls and the young will be hit the hardest. More optimistically, we can act now and embrace a vision of a world that seizes the potential of clean energy, and facilities sustainable livelihoods, which might allow us to stay below the 1.5-2 degrees Celsius benchmark. In that scenario, interventions would be made to promote more resilient societies that keep their citizens at home by offering them a better life.

China-U.S. relations is less a theme for an overarching development narrative than it is an economic, foreign policy, and security challenge. Still, the development community can contribute to the trend line of the relationship by better understanding the Belt and Road Initiative and China's role in development so we have a realistic picture of how they are conducted and the impact. This will allow experts to identify where we can collaborate with China and where and how we might bring it into a rules-based approach to development.

Choosing the right narrative and building consensus around it should be a key focus for policymakers in 2020-2021.

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Moving forward

Participants left the roundtable energized by the prospect of translating these discussions into concrete action to advance U.S. global engagement on key development issues. As the U.S. gears up for the 2020 Presidential election, it will be an opportune time to repackage and refresh existing narratives around international development.

Participants noted that Americans are ready to work with other nations to address common problems and support multilateralism. The discussions validated the three pillars of national security, humanitarian values, and economic interest as the fundamental rationale for aid. But participants identified new dynamics and partners: the social/environmental values of millennials; growing activism and concern for the planet among youth; young Republicans' divergent views from their elders on climate change; existential global risks from climate change, state fragility, and migration that together or individually could galvanize Americans in support of international engagement. A constant refrain was "make global local"—citizens and policymakers understand and respond to issues closest to them, so connect global issues and problems to everyday life and make them personal. Combining bold visionary aims with specific goals and benchmarks is important for making the narrative concrete and actionable.

Discussions around the foreign affairs budget morphed from how to move from just defending the prior year budget, which succeded with respect to the past last three budget cycles, to how to use the 2020 election to catalyze support for a level of funding that adequately addresses development challenges and opportunities. Find an issue that will energize the populace, like HIV/AIDS did in the George W. Bush administration. It could be an issue on which there is general consensus, such as tackling the learning crisis, or empowering the cadre of youth who represent 25 percent of the world's population but 100 percent of our future. Maybe 2020's 25th anniversary of the signature Beijing Women's Conference could fuel a global initiative to empower women who remain underrepresented and locked out of many powerful institutions, which prevents them from fully contributing their talent and ideas to global development. Or, maybe it will be recognition that the fragility of governments, societies, and communities imperils not just those near at hand, but also threatens regional and global security and prosperity. This could in turn energize a global prevention and resilience strategy.

The growing enmity between the United States and China loomed large on the minds of participants. Comments focused on how to prevent this growing animus from escalating into a new cold war. Participants searched for a balanced approach to the China challenge, including how the U.S. might build a policy around isolating areas for potential collaboration, such as global health security, from areas of direct competition, such as trade and China's statist economic structures. Issues like these are best approached jointly with our allies through regional and multilateral approaches. Maybe collaboration between American and Chinese philanthropists or American and Chinese research professionals can create a path forward. Peaceful relations between the two countries may require that the two find arenas in which they should stay out of each other's way. China and the United States found common ground in 2017 in the Paris Climate Accord. Maybe that is the theme around which to rebuild the relationship. Another strategic

approach is for the U.S. political class to focus less on slowing China and pressuring for a change in their system and more on investing domestically in what will make American strong—education, strong and inclusive local economies, infrastructure, health, unifying communities to address their toughest challenges, and moving beyond stalemate partisan issues. The U.S. should strengthen and rebuild trust in its own model rather than fear the rise of an alternative, China-driven approach.

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Supplemental materials

Policy Briefs

The 2019 Brookings Blum Roundtable Policy Briefs are available at: www.brookings.edu/bbr

What does 2020 mean for foreign aid?
Lester Munson

A call for a transformative agenda for women for 2020 and beyond
Madeleine Albright, Mary Robinson, and Peggy Clark

The global education challenge: Scaling up to tackle the learning crisis
Alice Albright

Generation Unlimited
Henrietta Fore

The climate crisis, migration, and refugees
John Podesta

Implementing a fragility strategy
George Ingram and Nancy Lindborg

International development cooperation in the age of US-China strategic rivalry
Minxin Pei

An open letter to the candidates
Liz Schrayer

Podcasts

Will foreign aid matter in the 2020 election?
Merrell Tuck-Primdahl, E.J. Dionne, Jr.; Liz Schrayer, and Charlie Dent
www.brookings.edu/podcast-episode/will-foreign-aid-matter-in-the-2020-election/

US-China competition in global development
Merrell Tuck-Primdahl, Homi Kharas, Minxin Pei, Weijan Shan
www.brookings.edu/podcast-episode/us-china-competition-in-global-development/

Blog

US foreign aid is worth defending now more than ever
John R. Allen
www.brookings.edu/blog/future-development/2019/09/04/us-foreign-aid-is-worth-defending-now-more-than-ever/

Past Roundtables

For the past 16 years, the Brookings Blum Roundtable has explored various facets of global poverty, with an emphasis on how technology and innovation can be harnessed to tackle some of the world's most pressing development challenges.

To find out more about past roundtable forums—including agendas, participant lists, conference reports and other resources—please visit www.brookings.edu/bbr

2018
Invigorating U.S. Leadership in Global Development

2017
US Foreign Assistance Under Challenge

2016
The Future of Work in the Developing World

2015
Disrupting Development with Digital Technologies

2014
Jump-Starting Inclusive Growth in the Most Difficult Environments

2013
The Private Sector in the New Global Development Agenda

2012
Innovation and Technology for Development

2011
From Aid to Development Cooperation

2010
Development Assistance Reform for the 21st Century

2009
Climate Crisis, Credit Crisis: Overcoming Obstacles to Build a Climate Resilient World

2008
Development in the Balance: How Will the World's Poor Cope with Climate Change?

2007
Development's Changing Face
New Players, Old Challenges, Fresh Opportunities

2006
The Tangled Web: The Poverty-Insecurity Nexus

2005
The Private Sector in the Fight Against Global Poverty

2004
America's Role in the Fight Against Global Poverty

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