

Summary: In a rapidly changing world, the European Union (EU), including its 27 member states, is one of the United States' most important multilateral partners for achieving U.S. global development objectives. The aid programs of the 27 EU member states combined with the Commission and the U.S. aid budgets disburse more than 70 percent of global official development assistance. Therefore, the renewed U.S.-EU Development Dialogue provides a forum through which the United States and the EU (including member states) can maximize results from limited foreign assistance resources. A robust and resilient U.S.-EU development partnership would reflect the best aspects of U.S.-European partnership since the Marshall Plan. At present, the three main areas for expanded U.S.-EU cooperation are priority sectors, such as food security; improved aid effectiveness and country ownership; and new emphases, such as security and development and joint support of new Middle Eastern democracies. This brief reviews the opportunities and challenges for U.S.-EU development cooperation in key sectors in aid effectiveness and in newer areas such as security and development suggests a number of ways to move forward.

The U.S.-EU High Level Development Dialogue: Building on the Legacy of the Marshall Plan

by G. William Anderson

I. Current Development Trends and Challenges

Over the last three years (2008-10), the world has seen a major disruption in progress on development and poverty reduction, from which recovery, especially in the developed world, is still in its early stages. One of the main effects of the economic and financial crisis has been the shift in many developed countries toward fiscal austerity. These moves to reduce the growth of public spending have slowed planned increases in development assistance and hindered progress toward meeting the Millennium Development Goals (MDGs) by the 2015 target date. At the same time, a number of emerging aid donors – such as India, China, Brazil, and others – have become larger players in high-level international meetings (such as the G20 and the United Nations Framework Convention on Climate Change) and in assistance efforts.

In spite of these global economic challenges, the developing world's economic growth rates – in China, India, Africa, and other regions – have rebounded faster than growth in the developed world. More attention has

been paid to the links among security, conflict, and development. In order to prevent conflict and violence, the World Bank's World Development Report (WDR) emphasizes helping fragile states to 1) build legitimate and capable institutions, 2) provide democratic governance, and 3) restore public confidence to prevent new or resumed conflict and violence.¹

Other challenges currently facing the world community include climate change, food security, improving national health systems, gender inequality, and choosing the best response to the popular uprisings in the Middle East and North Africa that could dramatically change the economic and political systems of many countries in the Arab world. International reaction to these problems has included the UN-sponsored High Level Meeting on the MDGs in September of 2010 and similar high-level conferences on climate change, food security, global health, and other issues. Nonstate actors, such as NGOs, foundations, and the private sector, as

¹ Conflict, Security, and Development, World Development Report, (The World Bank: Washington, DC), April 2011, p. 12-13.

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well as traditional aid donors, have contributed to discussions in all these international forums.

Major bilateral aid donors, such as the United States, the United Kingdom, Germany, and the Netherlands, and multilateral organizations like the European Union (EU) have re-oriented their foreign assistance approaches. The United States has issued a new National Security Strategy (2010), its first Presidential Policy Directive on Global Development (PPD), and first Quadrennial Diplomacy and Development Review (QDDR). All emphasize the importance of “broad-based economic growth and democratic governance,” sustainable social services (especially education and health), and “game-changing innovations with the potential to solve long-standing development challenges.” The PPD states that “the United States cannot do all things, do them well, and do them everywhere. Instead, the United States must focus its efforts in order to maximize long-term impact.”²

In the context of the EU Lisbon Treaty implementation and preparations for its next multi-annual financial framework for 2014-2020, the EU has examined where and how it should allocate its future development assistance.³ As a result of the U.K.’s recent review of its bilateral and multilateral assistance, that country has confirmed its commitment to allocate 0.7 percent of its gross national income to development assistance by 2013 and made decisions to allocate almost one-third of its aid to fragile states, terminate its development assistance to 16 countries, and focus most of its foreign aid on 27 countries in Africa, Asia, and the Middle East.⁴ It will prioritize investments in food, clean drinking water, basic healthcare, and education. The Dutch government intends to reduce the number of its partner countries from 33 to 16 while concentrating on food security, water, security, and the rule of law in fragile states as well as sexual and reproductive health rights. There is alignment of policy priorities between the United States and Europe in key areas like food security and also an overlap

in efforts to become more focused on key countries and sectors.

In this fluid development assistance context, the upcoming 2011 High Level Forum on Aid Effectiveness in Busan, South Korea, offers an opportunity to move toward a more comprehensive global development partnership, including China and other emerging donors, and to devise more robust multilateral approaches for preventing conflicts and crises in fragile states.⁵

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What is the U.S.-EU Development Dialogue and why is it important? In November 2009, the EU and the United States relaunched a formal U.S.-EU Development Dialogue at the U.S.-EU Summit in Washington, DC. As the two largest providers of Official Development Assistance (ODA), the United States and Europe have substantial influence when they act together in international development forums and on the ground in developing countries.

The aid programs of the 27 EU member states combined with the Commission and the U.S. aid budgets disburse more than 70 percent of global ODA.⁶ Therefore, the renewed U.S.-EU Development Dialogue provides a forum

² “Fact Sheet: U.S. Global Development Policy,” The White House, September 22, 2010, p. 2.

³ “EU development policy in support of inclusive growth and sustainable development: Increasing the impact of EU development policy,” European Commission Green Paper, Brussels, October 11, 2010. “Public Consultation: What funding for EU external action after 2013?” European Commission, Brussels, October 2010.

⁴ “U.K. aid: Changing lives, delivering results,” Department of International Development (DFID), 2011, p. 3.

⁵ Homi Kharas and Noam Unger, “A Serious Approach to Development: Toward Success at the High Level Forum on Aid Effectiveness in Busan, Korea,” Policy Paper 2011-02, (The Brookings Institution: Washington, DC), pp. 4, 6.

⁶ The United States, EU member states, and the Commission provided \$116 billion out of a total global ODA of \$165 billion in 2009. See DAC Statistical Table 2a, Total Global ODA Net Disbursements, 2001-09.

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through which the United States and the EU (including member states) can maximize results from limited foreign assistance resources. Given the fiscal constraints affecting both sides of the Atlantic, a robust U.S.-EU development partnership (including EU member states) could spur both strategic and field-level collaboration. This would complement other mechanisms for cooperation and contribute substantially to accelerating inclusive growth, reducing poverty, improving people's lives, providing security and stability, supporting the rule of law, and preventing conflict and crisis.

A robust and resilient U.S.-EU development partnership would reflect the best aspects of U.S.-European partnership since the Marshall Plan, which helped provide security to a Europe devastated by World War II and begin the process of European integration.

II. What are the Key Areas for Expanded U.S.-EU Collaboration?

At present, the three main areas for expanded U.S.-EU cooperation are priority sectors, such as food security; improved aid effectiveness and country ownership; and new emphases, such as security and development and joint support of new Middle Eastern democracies.

Sectoral focus areas. From its beginning in 2009, the relaunched U.S.-EU Development Dialogue highlighted three priority areas: agriculture and food security, climate change, and the MDGs. After the September 2010 UN MDG Summit, the focus under the MDG area shifted to global health. As of April 5, 2011, the areas of food security, climate change, and health enjoy road maps managed by joint U.S.-EU technical working groups. Moreover, U.S. and EU field delegations received joint U.S.-EU guidance on increased cooperation after the first meeting of the High Level Consultative Group on Development (HLCGD) in April 2010.

Improved aid effectiveness. In the area of aid effectiveness, both the EU and the United States have increased their focus on country ownership, division of labor among donors, transparency, and accountability.⁷ The PPD and QDDR explicitly adopt aid effectiveness principles, as do the primary Obama Administration development initiatives

of Feed the Future; Global Climate Change; and the Global Health Initiative.⁸ The second HLCGD meeting on June 13, 2011, approved a joint work plan on donor division of labor, aid transparency, and accountability.⁹

One important question that affects the level of expanded U.S.-EU cooperation in the field (including EU member state development assistance) is the pace at which the United States can move toward greater flexibility in aid implementation mechanisms that disburse aid through country public financial management (PFM) and other systems. In Pakistan and Afghanistan, a significant proportion of U.S. assistance already moves through country systems. In other parts of the world, progress in using country systems has moved more slowly, although U.S. Agency for International Development (USAID) is developing both guidance and staff training for greater use of country systems to disburse long-term development resources.

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⁸ "Fact Sheet: U.S. Global Development Policy," The White House, September 22, 2010, pp. 3-4. "Leading Through Civilian Power," The First Quadrennial Diplomacy and Development Review, 2010, p. 110.

⁹ "Joint Statement on the European Union – United States Development Dialogue," USAID, June 16, 2011.

⁷ "U.S.-EU Summit Joint Statement," Lisbon, November 20, 2010, p. 3.

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Who are the Decision-Makers?

When it comes to the practical questions of who decides and who links up with whom for expanded U.S.-EU collaboration in foreign assistance, one finds similar sets of policymakers.

The European Union: For the EU, the three key institutions remain the Commission, the European Council (made up of the EU members' heads of state), and the European Parliament. But these institutions reflect significant changes from the Treaty of Lisbon, which came into force on December 1, 2009. The EU's principal decision-makers are:

- Baroness Catherine Ashton, the high representative for foreign affairs and security policy, who chairs the Foreign Affairs Council (including the Foreign Secretaries of all EU member states), heads the newly integrated European foreign service, known formally as the European External Action Service (EEAS), and is also a vice president of the European Commission.
- Development Commissioner Andris Piebalgs, who oversees the restructured Directorate General of Development and Cooperation (DEVCO) and is the principal interlocutor with the development ministers of the 27 EU member states.
- Humanitarian Aid and Civil Protection Commissioner Kristalina Georgieva, who is responsible for both the EU's humanitarian assistance and civil protection/emergency response within the EU.
- Enlargement and European Neighborhood Commissioner Stefan Fule, who manages accession of new EU members but also development assistance to "neighborhood" countries, including the Middle East and North Africa; the Balkans; Eurasia (Ukraine, Belarus, and Moldova); and the Caucasus (Georgia, Armenia, and Azerbaijan).
- Chairs of the Foreign Affairs and Development Committees of the European Parliament have more to say about the EU foreign assistance budget under the Lisbon Treaty.

These EU political leaders are comparable to U.S. secretaries and administrators of U.S. departments and agencies. They are supported by the staffs of Parliamentary Committees and Commission Directorates General headed by senior EU civil servants known as Directors General (DGs) and, in the case of Baroness Ashton, Commissioner Piebalgs, and Commissioner Fule, by the EU country delegations.

It is important to reiterate that the EU member states, not the European Commission, call the shots in the EU on foreign policy and on foreign assistance through the European Council and its subsidiary bodies, including the Foreign Affairs Council (FAC) and the Council on Development (CODEV), a working group under the FAC. During the past 15 months (2010- 2011), EU member states, working through their development counselors assigned to Brussels and who make up the CODEV, played a principal role with Commission staff in negotiating with U.S. representatives final texts of joint U.S.-EU roadmaps in food security, global climate change, and global health.

The United States: Although this EU institutional landscape may appear complex to Americans, the analogous set of U.S. decision-makers can seem just as mysterious to their EU colleagues:

- Secretary of State Hilary Rodham Clinton is responsible for coordinating overall U.S. foreign assistance.¹

¹ "Fact Sheet: U.S. Global Development Policy," p. 6.

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- USAID Administrator Rajiv Shah is responsible for managing the largest part of U.S. foreign assistance, among multiple U.S. actors.
- National Security Council (NSC) Director for Development Gayle Smith chairs the Interagency Policy Committee on Development.
- Congressional chairs and ranking minority members of the House Foreign Affairs and Senate Foreign Relations Committees and the same for the House and Senate State-Foreign Operations Appropriations Subcommittees.

As in the EU, U.S. decision-makers are supported by their key subordinates for more intensive work with EU counterparts. For USAID, a key figure is Ambassador Donald Steinberg, the USAID deputy administrator, who is the principal U.S. representative to the U.S.-EU Senior Level Working Group (SLWG), which has the responsibility of managing the U.S.-EU Development Dialogue. Moreover, high-level decision-makers involved with U.S.-EU development collaboration also include key players such as the CEO of the Millennium Challenge Corporation or the cabinet secretaries and key staff of the other main U.S. departments involved in foreign assistance (the Health and Human Services, Treasury, Agriculture, and Justice Departments).

However, can USAID and others in the administration convince the Congress that modest contributions to macro and sector level budget support through country financial systems in well-managed economies make sense? If the United States cannot participate in country-owned aid mechanisms where the EU and most other major donors do so, the United States effectively excludes itself from 1) regular meetings of donor directors to agree on key macro and sector policy positions, and 2) high-level policy dialogue sessions between donors and senior country representatives. Such self-imposed isolation makes it more difficult for the United States and the EU to collaborate effectively in programming assistance to obtain greater results. In a period of downward political pressure on aid budgets, squeezing maximum impact from flat or decreasing levels of assistance is essential to reach development objectives.

Security and Development. The November 2010 U.S.-EU Summit Joint Statement referred to a need for enhanced collaboration and strategies in security and development including conflict prevention and crisis response.¹⁰ This is a sphere that currently enjoys significant levels of U.S.-EU collaboration. In this area, the lead U.S. actor would be the State Department, supported by USAID. For the EU, the European External Action Service (EEAS) would take the lead. For the moment, discussions on security and develop-

ment are in the initial phases. Both sides have expressed a strong willingness to collaborate on security and development as well as conflict/crisis response. The United States, EU, and major EU member state involvement in the events in North Africa and the Middle East and President Obama's May 19, 2011, speech on Middle East Policy suggest this is a region in which the United States and the EU could use long-term development programs to deepen their current military (under NATO) and humanitarian cooperation and support fragile democracies.

III. Addressing Challenges and Seizing Opportunities for Expanded U.S.-EU Collaboration

The following is a review of the opportunities and challenges for U.S.-EU development cooperation in key sectors in aid effectiveness and in newer areas such as security and development that suggests a number of ways to move forward.

A. Sectoral Priority Areas – Food Security, Climate Change, and Global Health

Opportunities. In the three current priority areas of food security, climate change, and global health, a number of conditions exist conducive to effective U.S.-EU collaboration. Recent policy statements by both are largely consistent with each other. A regular ministerial meeting, the HLCGD,

¹⁰ "U.S.-EU Summit Joint Statement," p. 3.

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as well as the SLWG for managing the Dialogue are now established.¹¹ The second HLCGD meeting took place June 13, 2011, in London.¹² Further, joint road maps exist in all three areas, and joint technical working groups are established. The EU is developing its new “multi-annual financial framework” for 2014-2020, and USAID is proceeding with a series of “USAID Forward” reforms. In the field, the United States, the EU, and EU member states have a long history of working closely together through established donor coordination mechanisms. Robust field presence by U.S. assistance agencies, the EU, and member states provide established platforms and qualified staff with local knowledge to support expanded U.S.-EU cooperation with partner countries.

Challenges. On the other hand, fiscal austerity on both sides of the Atlantic may limit development resources severely. In the United States, proposed reductions in the 2012 budget risk arresting the USAID rebuilding process and limiting the staff resources available for USAID-EU collaboration. Moreover, there seems to be a lack of priority on both sides (including EU member states and other U.S. agencies) placed on the Development Dialogue’s work in the field and thus few concrete results to show from U.S.-EU collaboration over the last 15 months.

For relevant U.S. actors, determining the EU chain of command in development can prove difficult. At present, EU Delegations report to both the EEAS and DEVCO with EEAS in charge of budget levels and programming for regional and country strategies. A final challenge is the threat to the position of the USAID Representative to the European Union, which is housed in the U.S. Mission to the EU in Brussels (USEU), posed by possible reductions in USAID operating expenses in the 2012 budget and beyond. The absence of an experienced USAID development professional in Brussels would send a strong negative message to EU leaders regarding the importance the

United States places on expanded U.S.-EU collaboration. It would severely hamper the ability of USAID, the EU, and the U.S. government as a whole to navigate the evolving EU institutional line-up on foreign assistance and focus on the real EU decision-makers in the Commission, the EEAS, the Council, and the European Parliament.

Moving forward. Moving forward requires actions on both sides of the Atlantic:

- *Use fiscal austerity as a positive, not a negative.* The United States and the EU should use fiscal austerity to demonstrate, through the Dialogue, how expanded U.S.-EU collaboration will result in greater aid effectiveness and development impact in the face of flat or declining resources.
- *Expand understanding of the importance of expanded U.S.-EU collaboration under the Development Dialogue.* The U.S. policy/think tank, advocacy, university, NGO, and foundation communities should raise the profile and communicate the importance of greater U.S. cooperation in foreign assistance with the EU to key members of Congress and staff, relevant decision-makers in the executive branch, and to the public. Such an effort requires a coordinator/leader who will work closely with both relevant Administration contacts and the EU’s development counselor in Washington.
- *Make a joint USAID-State presentation to Congress.* USAID and the U.S. Department of State should deliver joint presentations to key members of Congress and staff that demonstrate how much the United States will gain in development results and greater stability in fragile states from expanded cooperation with the EU in these three vital sectors.
- *Expand joint U.S.-EU field collaboration including member states.* USAID Administrator Rajiv Shah should propose to EU Development Commissioner Piebalgs that joint U.S.-EU field missions begin visits to a select group of countries to jump start field collaboration among partner countries, all U.S. assistance agencies, and EU and EU member state delegations in these three key sectors. The NSC and the secretary of state should jointly authorize USAID to lead the U.S. members of these joint missions, inform U.S. ambassadors of this fact, and instruct all relevant U.S. government agen-

¹¹ “Development Cooperation: EU and U.S. joining forces on global health and aid effectiveness,” European Commission Press Release IP/11/700.

¹² “EU development policy in support of inclusive growth and sustainable development: Increasing the impact of EU development policy,” European Commission Green Paper, Brussels, October 11, 2010; “The future of EU budget support to third countries,” Green Paper from the Commission to the Council, The European Parliament, the European Economic and Social Committee and the Committee of the Regions, European Commission, Brussels, October 19, 2010. The Obama Administration has issued the first U.S. Global Development Policy and Quadrennial Diplomacy and Development Review (QDDR) and launched major development initiatives in the three priority areas of the Development Dialogue.

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cies with field staff in the countries visited to place the highest priority on contributing to these missions under USAID's leadership.

In-country, these joint missions should be managed by senior partner country officials and should define concrete ways of working together more effectively to obtain the maximum impact from existing development assistance and agree on monitoring and evaluation frameworks to judge results.

- *Make clear to the U.S. Office of Budget and Management (OMB) and the Congress the importance of having a full-time, experienced USAID representative to the EU in Brussels.* USAID, with State Department support, should make clear to OMB and the main Congressional committees and subcommittees why a full-time USAID representative to the EU in Brussels is required if the United States is to succeed in substantially expanding U.S.-EU collaboration in foreign assistance.

B. Aid Effectiveness and Country Ownership

Opportunities. A commitment to improved aid effectiveness (under the Paris Declaration and the Accra Agenda for Action) underpins the U.S.-EU Development Dialogue. For years, the EU has emphasized country ownership and other aid effectiveness principles in both development policies and operations. In the new U.S. Presidential Policy Directive on Global Development; the new initiatives in food security, climate change, and global health; and the guidance for USAID's Country Development Cooperation Strategies (CDCS), the Obama administration has emphasized support of developing country strategies as well as "selectivity" and "division of labor," all fundamental aid effectiveness principles.¹³ USAID is currently developing guidance and training in country-controlled aid implementation mechanisms and much of U.S. assistance to Pakistan and Afghanistan is now delivered through country systems.

Challenges. Nevertheless, Congressional skepticism on disbursing assistance through country financial systems remains high, and its understanding of aid effectiveness principles low. Second, proposed Congressional cuts in USAID administrative funding (and that for other civilian foreign affairs agencies), if enacted in 2012, will reverse

USAID's rebuilding process. This would reduce its ability, as well as capabilities of the Millennium Challenge Corporation (MCC) and other agencies, to monitor funding provided through country systems and support partner country strategies and priorities. Third, although the United States has become more enthusiastic about division of labor and selectivity, some EU member states have now become skeptical because of the implications of eliminating certain country or sectoral programs.

Moving forward. Some initial steps can be taken immediately in this area:

- *Educate U.S. interagency and congressional contacts on the importance of aid effectiveness.* USAID and the State Department should brief other U.S. government agencies and Congress (key members and staff) on why adherence to aid effectiveness principles like "country ownership, selectivity, and division of labor" can improve results for U.S. assistance and under what conditions greater use of country financial systems makes sense for results and accountability.
- *Provide guidance and training on use of country financial systems.* Through guidance and training for both Washington and field staff, USAID should clarify the circumstances in which use of host country financial systems and implementation mechanisms such as budget support is justified.
- *Use the USAID representative to the EU to lead discussions on U.S.-EU aid effectiveness framework.* USAID should instruct its representative in Brussels to manage discussions (with the participation of relevant USAID, the Department of State, and other interagency staff) with the EU on the work plan on division of labor, transparency, and accountability approved at the June 13, 2011, HLCGD meeting.
- *Define a joint U.S.-EU approach for the November 2011 Busan High Level Forum that will advance a global development partnership.* The Busan Forum offers the opportunity for all countries and multilateral organizations to refocus efforts on achieving the MDGs and supporting fragile states. If the United States and the EU (including EU member states) can fashion a joint approach for the forum that can both speed progress toward the MDGs and offer support to fragile states and

¹³ "Fact Sheet: U.S. Global Development Policy," p. 4.

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new democracies, such a U.S.-EU proposal could galvanize efforts aimed at a global development partnership.

C. Security and Development and Support for New Middle East Democracies

Opportunities. Given the 2011 U.S.-EU Summit Declaration's commitments to strengthen collaboration in "security and development" as well as "conflict prevention, crisis response, and long-term development" and "enhance EU-NATO cooperation in crisis management," a clear opportunity exists.¹⁴ With the recent surge of popular pressure throughout North Africa and the Middle East for democratic governance and with NATO's ongoing role in Libya, joint support for fragile democracies in the region is closely related to security and development. In his May 19, 2011, speech on the Middle East, President Obama suggested that U.S.-EU cooperation was essential to support reform and transitions to democracy across the region.¹⁵ The director general of EU's DEVCO is reportedly ready to meet with U.S. crisis response agencies in Washington, and the EEAS is creating a unit for conflict prevention. Since 2003, under the EU's Common Security and Defense Policy (CSDP), the EU has carried out over 20 civilian and military crisis operations with several African operations being coordinated with U.S. efforts.

The most recent U.S. National Security Strategy, the PPD, and the QDDR all emphasize the need for closer collaboration between the United States and multilateral partners, including the EU, to improve conflict response and crisis prevention. For some years, the U.S. government has sought to integrate its civilian crisis response and prevention capabilities. The QDDR announced the creation of a new State Department Bureau for Conflict and Stabilization Operations (CSO) to "serve as the institutional locus for policy and operational solutions for crisis, conflict, and instability" and emphasized the need to "improve operational cooperation with allies and multilateral organizations."¹⁶ If the EU and the United States demonstrate clear results in mitigating or preventing crises in fragile states, the Congress will take note.

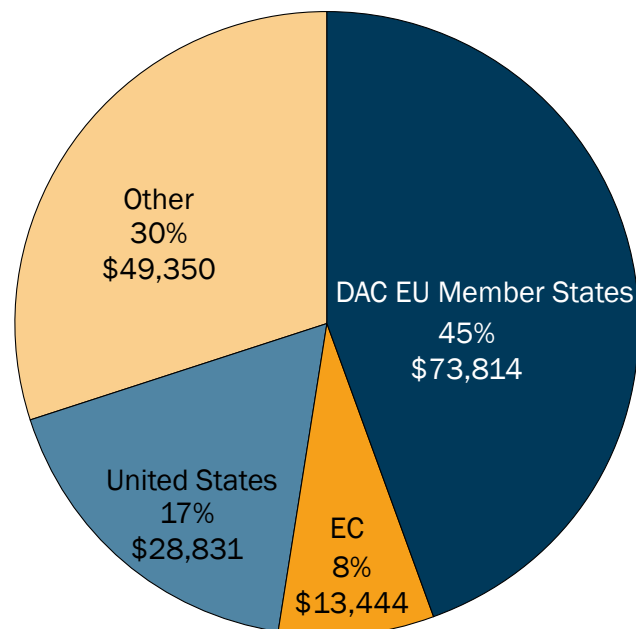
¹⁴ "U.S.-EU Summit Joint Statement," p. 3.

¹⁵ Remarks by the President on the Middle East and North Africa (State Department: Washington, DC), May 19, 2011.

¹⁶ QDDR, pp. 135-136, 149.

Chart 1: ODA from Transatlantic versus Other Partners

The United States and EU remain the world's foremost donors, but it is increasingly necessary to advance a global development partnership.



Challenges. The challenges in making progress in security and development, conflict/crisis prevention, and related areas begin with an institutional constraint within the U.S. government. Neither the White House nor the NSC have delineated roles and responsibilities for conflict prevention and crisis response among the U.S. Department of Defense (DoD) and a range of civilian agencies like USAID and the Department of State. In the words of Secretary of Defense Robert Gates,

... the United States' interagency tool kit is still a hodgepodge of jury-rigged arrangements constrained by a dated and complex patchwork of authorities, persistent shortfalls in resources, and unwieldy processes.¹⁷

In addition, neither the EU nor the United States is focused on conflict prevention versus response, in part because prevention requires defining new models and structures at both interagency and multilateral levels. Secretary Gates,

¹⁷ Robert M. Gates, "The Future of U.S. Security Assistance," p. 3.

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who has been leading the charge for more effective inter-agency cooperation and rebuilding U.S. civilian capabilities in post-conflict situations, is leaving. Connecting the “three Ds” (diplomacy, defense, and development) in both strategy and action remains embryonic. A recent lessons-learned study by the Institute of Defense Analysis (IDA) concluded that “there is currently no single U.S. department or agency that has the mandate, authority, or resources necessary to lead whole-of-government prevention planning.”¹⁸

Moving forward. Options for moving forward begin with putting the U.S. government’s own house in order with regard to conflict/crisis response and prevention and demonstrating concrete benefits in security and development or in new regions of interest like the Middle East and North Africa that result from expanded U.S.-EU collaboration:

- *The executive branch should move quickly to define interagency roles and responsibilities for conflict/crisis response and prevention.* This means 1) assigning (per the QDDR) lead roles in for conflict/crisis response and prevention in the U.S. government; 2) defining an inter-agency conceptual framework, strategy, and timeline for fashioning needed interagency processes and structures for both conflict/crisis response and prevention; and 3) setting a higher priority for conflict prevention. Congress may have to approve some aspects of these changes, such as the QDDR’s recommendation for a Bureau for Conflict and Stabilization Operations (CSO).
- *Develop a U.S. government strategy to expand “3D” collaboration for security and development.* Led or directed by the NSC, the executive branch, with reference to both the PPD and the QDDR, should develop a strategy with specific benchmarks and timelines to expand quickly and dramatically “3D” collaboration in conflict/crisis situations. This effort could benefit from the prior experience of both the EU and certain EU member states, such as the U.K., whose experience with conflict prevention pooled funding (managed jointly by the U.K.’s Ministry of Defense, U.K. Department for International Development, and the Foreign and Commonwealth Office) has stimulated proposals for similar DoD-State pooled security assistance funding.
- *Nonstate actors should press the U.S. government and Congress to move quickly to finalize the definition of roles and responsibilities for pursuing security and development and managing conflict/crisis situations.* The policy/think tank, advocacy, NGO, university, and foundation communities (plus the private sector and diaspora communities) should exert and maintain pressure on the executive branch and the Congress to make final decisions on U.S. government roles and responsibilities in conflict/crisis prevention and response. The same coalition of nonstate actors should monitor progress in this area and press Congress to do the same.
- *Demonstrate concrete benefits in security and development that result from expanded U.S.-EU collaboration, both in conflict/crisis response and prevention.* For starters, this requires joint U.S.-EU assessments that delineate the value-added of U.S.-EU cooperation in specific conflict-prone situations, such as Afghanistan or Pakistan, or in new Middle East democracies, such as Tunisia or Egypt. The HLCGD should task a joint U.S.-EU technical working group to develop a conceptual framework and roadmap for joint cooperation in this area.
- *Pursue a “joint” U.S.-EU effort of supporting reform and transitions to democracy in the Middle East and North Africa.* Given President Obama’s trade, investment, debt relief, and assistance program proposed in his May 19, 2011, speech on the Middle East and his stated linking of this program to the EU, initiate discussions with appropriate EU Commissioners (and analogous officials in key EU member states) to move forward in a collaborative U.S.-EU partnership.¹⁹

IV. Conclusions

A more focused U.S.-EU development partnership will contribute to global security and development, especially for those suffering in poverty. As discussed above, such contributions can be made in improved food security, coping with climate change, and reaching the MDGs; improving aid effectiveness that accelerates inclusive growth and reduces poverty more quickly; and preventing conflicts and crises in fragile states while supporting new democra-

¹⁸ Caroline R. Earle, Project Leader; Ashley N. Bybee; and Daniel R. Langberg, Concept Plan (CONPLAN) 4242 Lessons Learned Study, (Washington, DC: Institute for Defense Analyses, December 2009), p. 51.

¹⁹ Remarks by the U.S. President on the Middle East and North Africa, op. cit.

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cies and popular movements for reform in the Middle East and North Africa.

Clearly, challenges on both sides of the Atlantic complicate the effort to link the United States, the EU, and EU member states in a closer partnership. These include fiscal austerity; unwieldy, opaque institutions; and skepticism on improved crisis prevention in fragile states. Nevertheless, progress can be made. Significant actions have already occurred through the U.S.-EU Development Dialogue. The June 13, 2011, HLCGD meeting agreed on major forward steps including a cohesive U.S.-EU approach to the Busan High Level Forum 4 meeting in November 2011. A joint approach to Busan would give impetus to a global development partnership.

Supporting these initial actions calls for opening political space in both the executive branch and in the Congress for stronger U.S. support of a more influential U.S.-EU partnership. Widening this political space requires support by a broad-based coalition across the policy/think tank, advocacy, NGO, university, and foundation communities, including the private sector and diaspora communities, to place high priority on a stronger U.S.-EU development partnership in their outreach, educational, and advocacy work. Building such a powerful coalition requires leadership from one or more principal members of these communities in the United States. Once built, this U.S.-based coalition must advocate two prerequisite conditions without which the U.S. government will not be capable of meeting its commitments in a broader partnership with the EU:

- A long-term commitment (10 years+) by the executive branch and the Congress to rebuild the human capital and institutional capabilities of U.S. foreign assistance and foreign affairs agencies, such as USAID, the Department of State, and others; and
- Long-term support of the USAID Forward reforms now underway.

While daunting, building a stronger U.S.-EU development partnership offers the potential of contributing substantially to a wide range of development, security, and other objectives that support global welfare and stability. Not making the effort entails the greater risk.

About the Author

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About GMF

The German Marshall Fund of the United States (GMF) is a non-partisan American public policy and grantmaking institution dedicated to promoting better understanding and cooperation between North America and Europe on transatlantic and global issues.

GMF does this by supporting individuals and institutions working in the transatlantic sphere, by convening leaders and members of the policy and business communities, by contributing research and analysis on transatlantic topics, and by providing exchange opportunities to foster renewed commitment to the transatlantic relationship. In addition, GMF supports a number of initiatives to strengthen democracies.

Founded in 1972 through a gift from Germany as a permanent memorial to Marshall Plan assistance, GMF maintains a strong presence on both sides of the Atlantic. In addition to its headquarters in Washington, DC, GMF has seven offices in Europe: Berlin, Paris, Brussels, Belgrade, Ankara, Bucharest, and Warsaw. GMF also has smaller representations in Bratislava, Turin, and Stockholm.