

May 14, 2013

To: Mohamed A. El-Erian, Chair, President's Global Development Council

CC: Richard C. Blum, Member Esther Duflo, Member
Sarah Beardsley Degnan Kambou, Member
James M. Manyika, Member
William K. Reilly, Member
Steven Schwager, Member
Smita Singh, Member
Secretary of Defense Chuck Hagel, Non-Voting Member
Secretary of State John Kerry, Non-Voting Member
Secretary of the Treasury Jacob J. Lew, Non-Voting Member
USAID Administrator Rajiv Shah, Non-Voting Member
MCC CEO Daniel W. Yohannes, Non-Voting Member
Jayne Thomisee, Executive Director

From: Sarah Jane Staats, Director, Center for Global Development Rethinking US Foreign Assistance Initiative

## Re: Hitching the Global Development Council and President Obama's Policy Vision

**The Opportunity**: America's well-being is linked to the lives of others as never before. President Obama's newly created Global Development Council shows the administration is eager to use development policy to tackle inequality, conflict, hunger, and disease to promote prosperity and security around the world and at home. When the Council meets for the first time this week, it will need to answer two questions: how can it inform US global development policy, and on what issues?

**The Action**: When the Global Development Council meets on <u>May 17</u> it should identify three to five key moments when President Obama, with the advice of the Council, can make a development difference. Among the immediate possibilities: the June G-8 summit in the United Kingdom, the September G-20 summit in Russia, the UN General Assembly meeting, and President Obama's upcoming trip to Africa.

The Global Development Council can't cover every issue; it should focus its attention on a few specific areas and be clear about what it will do and what it will not do. One of these five approaches could help the Global Development Council walk President Obama's policy vision down—and across—the aisle:

1. Something Old: Finish What the PPD Started. Select one or two promises from the <u>President's</u> <u>US Global Development Policy</u> that require action across the government and craft an implementation strategy. For example, propose explicit choices about where to invest and how; concrete actions the administration could take to leverage the private sector, philanthropic, and nongovernmental organizations; or a plan to strengthen US leadership and engagement in the multilateral development institutions. Alternately, the Council could focus on next steps for the <u>Partnership for Growth</u> initiative, which aims to put the PPD <u>principles into practice</u> in Ghana, Tanzania, El Salvador, and the Philippines. Administration-endorsed implementation strategies could substitute for another full global development strategy process during Obama's second term. 2. Something New: Go Big (Migration) or Bright (Energy). If the president is looking for something new, or the next President's Emergency Plan for AIDS Relief (PEPFAR), try migration. President George W. Bush's PEPFAR announcement was possible because of an extraordinary alliance of interests: domestic activism, international advocacy, a sea change in evangelical Christian views, and a political moment. New technology—specifically the development of antiretroviral drugs—played a big role, too.

Migration has almost all the same features: a broad domestic constituency, a <u>development</u> and <u>economic</u> case for reform, a shift in evangelical Christian <u>views</u>, and it is a major US election issue. While there might not be a technology solution, <u>technology firms</u> (including Facebook CEO Mark Zuckerberg's new <u>FWD.us</u> political group) are becoming some of the biggest advocates for revamping migration policy. A development-friendly migration policy would be a clear way of using the "full range of our development tools and policies" as promised in President Obama's Global Development Policy. And including development benefits in US migration reform legislation needn't require a huge price tag; on the contrary, it could actually help the US economy and boost tax revenue.

A more traditional but also worthwhile issue—previewed by former Deputy National Security Advisor Michael Froman in a <u>CGD speech</u> and with growing <u>support</u> from colleagues at CGD and ONE—would be to focus on reliable generation, transmission, and distribution of energy in sub-Saharan Africa. Electrifying sub-Saharan Africa, where nearly seven out of ten people do not have access to reliable energy, could have a tangible human benefit, increase economic growth, and increase demand for US business products.

- 3. Something Borrowed: Big (and Open) Data. Open data is a major theme of President Obama's administration, visible most recently in a <u>new open data policy</u>. And the White House <u>praises</u> the use of big data in government decision-making, drawing heavily from business experience where big data is part of almost <u>every industry function</u>. The administration's <u>Foreign Assistance</u> <u>Dashboard</u> was launched two years ago to be the one-stop-shop for US foreign aid data (big and open). The Global Development Council could identify ways President Obama and the Council can 1) encourage the 22 US agencies and departments involved to report their data and 2) start using the data to inform development policy decision-making.
- 4. **Something Blue (and Red): Use the Bully Pulpit to Champion Development.** The Council's third explicit mandate is to "increase awareness and action in support of development." The Council members are in ideal positions to champion development—from business, academic, and nonprofit perspectives—from their districts and beyond, including on Capitol Hill where more than half of Congress is new since the last major development legislation creating PEPFAR and the Millennium Challenge Corporation was passed. A new partnership with Congress on development is vital to ensure President Obama's development policies outlast his administration. The Council could use vibrant and visible communications tools to communicate with and solicit feedback on its development policy priorities.
- 5. A Sixpence in Your Shoe: Make Sense of the Aid Budget. The PPD vows to "focus," "make hard choices," and "reallocate resources in support of those efforts that yield the greatest impact" but did not take on major structure or budget reforms as part of the initial process. The FY2014 budget request shows <u>shifts</u> in foreign aid allocations: a <u>food aid reform</u> proposal and a reduction in USAID's presence in 11 countries, eliminating some small foreign aid programs. The Council could help the administration go further by proposing a parallel US foreign aid spending plan, including possible increases in multilateral versus bilateral investments, to inform President Obama's next budget request and Congress's deliberations.