



CHATHAM HOUSE

Chatham House, 10 St James's Square, London SW1Y 4LE
T: +44 (0)20 7957 5700 E: contact@chathamhouse.org
F: +44 (0)20 7957 5710 www.chathamhouse.org

Charity Registration Number: 208223

Americas Programme Paper AMP PP 2012/03

US Election Note:

The Military vs Development Aid

Xenia Dormandy

Chatham House

July 2012

The views expressed in this document are the sole responsibility of the author(s) and do not necessarily reflect the view of Chatham House, its staff, associates or Council. Chatham House is independent and owes no allegiance to any government or to any political body. It does not take institutional positions on policy issues. This document is issued on the understanding that if any extract is used, the author(s)/ speaker(s) and Chatham House should be credited, preferably with the date of the publication or details of the event. Where this document refers to or reports statements made by speakers at an event every effort has been made to provide a fair representation of their views and opinions, but the ultimate responsibility for accuracy lies with this document's author(s). The published text of speeches and presentations may differ from delivery.

Summary

- In a second term, President Barack Obama would be likely to continue to focus on the targeted use of force (such as through cyber attacks, drones or Special Forces) rather than larger-scale conventional warfare. Mitt Romney, on the other hand, has indicated a desire to expand the conventional military, in particular maritime forces, and for America to take a more assertive military posture. In the coming years, the effect of these different approaches could play out in particular in Iran or Syria.
- Unlike his predecessor, President Obama has emphasized a less intrusive style of American leadership, with a focus on 'support' rather than 'promotion' (such as with regard to democracy). This distinction would most likely continue in a second term. Given the two distinct and opposing strands in Republican thinking between an assertive America and one that should refocus inwards, it is less clear what kind of US engagement Romney would emphasize.
- President Obama would probably continue to push for increases in foreign aid and in the 'civillian surge', but this would be difficult to implement in the face of a likely Republican-controlled House (and perhaps Senate). Romney has said little about development assistance, but increases in funding would be unlikely given his party's views. Personal conviction, on the other hand, might lead him to resist the traditional Republican platform.

Introduction

A critique of American foreign policy will often focus less on what the policy is and more on how it is implemented. Is it fair for the United States to protect itself against terrorism? Yes. But is it permissible to do so by violating another nation's sovereignty through drone strikes or by imposing extraterritorial sanctions on foreign companies doing business with rogue states? These acts are more subject to debate. This Election Note considers when and how a second-term President Barack Obama or a President Mitt Romney would prioritize the use of force over development assistance, to implement their foreign-policy objectives.

While the election cycle's discourse is centred on the future of the American economy, the perception of America and how it uses its power will have an impact on its role in the world, and on how other nations (friends, allies and competitors) treat it and its leverage. While the choice of what tool to use depends on numerous factors, including the broader context and beliefs about efficacy and reliability, ongoing budget cuts mean that the next president will be making decisions that have long-term consequences for American defence and development assets.

Background

Ever since independence, America has played a central role in global politics, not least in Europe. It has supported the global commons and encouraged multilateralism through the creation of global institutions such as the United Nations (and its predecessor the League of Nations) and the Bretton Woods institutions (the International Monetary Fund and World Bank). But the United States has also asserted itself at the harder edge of international engagement, in the two world wars, Korea, Vietnam, the Balkans and, more recently, Afghanistan and Iraq. It is still seen by many as the world's policeman.

President George H.W. Bush was not afraid to use military force, although typically as part of a broader coalition. While 'Operation Just Cause' in 1989 sent 10,000 troops to Panama to ward off a military coup led by Manuel Noriega, later actions were more multilateral. In 1990, the United States led a UN-authorized coalition force in the Persian Gulf war.

President Bill Clinton continued to use the military relatively sparingly (except arguably in coalition with NATO in the Balkans). In 1993 he pulled out the forces that President Bush had put into Somalia (culminating in the events memorialized in the film 'Black Hawk Down'), and in Sudan in 1998 he ordered a targeted operation to bomb factories allegedly producing chemicals for terrorist groups. Perhaps more controversially, in 1994 he used the military in Haiti to restore President Jean-Bertrand Aristide to power.

Alongside their relatively limited and often multilateral use of force, Presidents Bush Sr and Clinton also harnessed development aid as a foreign policy tool. Bush's 'New World Order' and Clinton's 'doctrine of enlargement' sought to create a post-Cold War world system in which America was viewed as powerful and benevolent (hence Clinton's support for American financial assistance to Russia and Bush's work to combat famine in Somalia). And yet the 1990s marked a decline in foreign aid – it peaked at \$65.5 billion in 1990 and ultimately dropped by 20 per cent over the next 10 years (to \$53.1 billion in 2000).¹ In 1999, President Clinton (under pressure from a Republican Congress) oversaw the dismantling of an important instrument of US soft power when the US Information Agency was merged into the State Department.

The use of force to promote US interests became much more controversial during President George W. Bush's term in office. His administration, with NATO support (under the first ever invocation of Article 5), invaded Afghanistan to bring down Al-Qaeda and the Taliban. In 2002, the White House released a National Security Strategy (NSS) that for the first time spoke of preventive war: attacking another country to prevent a non-imminent attack from taking place. Vice President Dick Cheney suggested a 'one percent doctrine', arguing that if there was even a one per cent risk of an attack on the United States, it should take action.² And finally, there was the 2003 invasion of Iraq. As a result of the decreases in foreign assistance in the 1990s, when development staff and capabilities were drastically reduced, the US military had to take on new roles, distributing foreign assistance and implementing state-building projects that other arms of the government no longer had the resources to oversee (so putting a kinetic face on aid).

While engaged in two major wars, President Bush also oversaw the expansion of America's development assistance programmes. Under his leadership, the Millennium Challenge Corporation (MCC) and the President's Emergency Plan for AIDS Relief (PEPFAR) were launched. Bush pledged \$5 billion a year for MCC and \$15 billion over five years for PEPFAR.³ These programmes were considered to be some of the most robust and far-reaching development assistance efforts available. In total, Bush's proposed programmes greatly increased annual aid. In 2005 alone, US net official development assistance (ODA) rose by 36.5% to a total of \$27.6 billion.⁴ The post-9/11 aid policy was reoriented, with a new emphasis placed on assisting US allies and antiterrorism work. The US Agency for International Development (USAID) was merged into the State Department to facilitate its use as a foreign policy (rather than broader assistance) tool.

One of the principal objectives of the Bush administration's foreign policy was democracy promotion. Although in his first term President Bush insisted that America would not be in the business of nation-building, this was indeed the role in which America found itself in Iraq and Afghanistan. By 2008, a total of \$1.4 billion was requested by the administration to promote governance and democracy around the world; the Near East consistently received the bulk of this aid. The president's budget request for the region for FY2008 totalled \$407 million.⁵

1 CQ Researcher, 'Foreign Aid After Sept. 11', April 2002.

<http://www.cqpress.com/product/Researcher-Foreign-Aid-After-Sept-11.html>

2 See Ron Suskind, *The One Percent Doctrine: Deep Inside America's Pursuit of Its Enemies Since 9/11* (Simon & Schuster, 2007).

3 The MCC provides assistance to nations that demonstrate a commitment to good governance. PEPFAR is a US government initiative to save the lives of people with HIV/AIDS. This is the largest monetary commitment by any nation to combat a single disease internationally. See Millennium Change Corporation, www.mcc.gov, The United States President's Emergency Plan for AIDS Relief, www.pepfar.gov, and CQ Researcher, 'Foreign Aid and National Security', June 2011, http://www.genderhealth.org/files/uploads/change/change_in_the_media/CQ_Researcher_6_11.pdf.

4 OECD, 'Final ODA Data for 2005', www.oecd.org/dataoecd/52/18/37790990.pdf. See also <http://www.oecd-ilibrary.org/docserver/download/fulltext/4307011ec028.pdf?expires=1341329723&id=id&accname=guest&checksum=B7B53E2C4587176B62AB097CF31E105B>.

5 Susan B. Epstein, Nina M. Serafino and Francis T. Miko, 'Democracy Promotion: Cornerstone of U.S. Foreign Policy?', Congressional Research Service, 26 December 2007, <http://www.fas.org/sgp/crs/row/RL34296.pdf>.

In 2011, Congress passed the Budget Control Act, which led to the Pentagon's new Defence Strategic Guidance and the announcement of \$487 billion in defence cuts over a decade. The economic constraints, the deficit and the debt-ceiling debates in 2011 led to the announcement of possible sequestration in early 2013, which would cut another \$600 billion from security spending over 10 years. In the light of these fiscal restraints, many fear that shifts towards a 'smaller and leaner' American military may be a euphemism for hollowing it out. There is also concern, often from those invested in the leveraging of soft power, that cuts across the board will limit investment in development and diplomacy.

While it is the responsibility of the administration and the president to define the country's needs with regard to force capabilities and development assistance, Congress has a significant role to play in providing the necessary assets and funding. Traditionally, the two parties have different positions when prioritizing between defence and development capabilities. Historically, the Republican Party – the 'national security party' – emphasizes that the United States needs to maintain defence capabilities vastly superior to those of any other power. At the same time, many Republicans view development spending as wasted money that would be better spent at home. The Democrats, on the other hand, have tended to move in the other direction, supporting the use of development spending to achieve foreign policy aims and more hesitant about engaging the military. While there has long been a moderate group of Republicans who have valued development aid, this cohort is diminishing in today's partisan politics. There is a growing wing of the Democratic Party, meanwhile, that is pushing a more assertive defence and military role in foreign policy.

Finally, the public's attitude towards both the use of force and development assistance plays a significant role in shaping these debates. Polls indicate that Americans believe the United States spends 25% of its budget on development assistance (the real proportion is less than 1%).⁶ Public attitudes are not always clear-cut, however. While a 2011 Gallup poll showed that 59% of Americans supported the idea of cutting foreign aid to address the budget deficit,⁷ data collected in 2010 by the Chicago Council on Foreign Affairs showed that 62% of Americans supported the provision of aid to help developing countries improve their economies.⁸ At the same time, following the wars in Iraq and Afghanistan, public support for the war in Afghanistan is the lowest in a decade, now hovering around 30%.⁹

Policy positions

A second Obama term

In his first term, President Obama took two very different positions from his predecessor on America's international stance. Both are strong indicators of how he is likely to act in a second term. The first relates to democracy, but can be interpreted more broadly. During the 2011 Arab uprisings President Obama made clear that 'the United States will continue to *support* [italics added] those nations that transition to democracy'.¹⁰ He has pulled back from Bush's policy of more assertive 'democracy promotion'. President Obama is likely to pursue external policies that support other nations and individuals, rather than imposing American values.

The second difference regards the use of force. Obama has been very careful and shown some wariness in deploying large conventional forces, bringing to an end US engagement in Iraq and,

⁶ Tina Rosenberg, 'How to protect foreign aid? Improve it', *New York Times*, 14 March 2011, <http://opinionator.blogs.nytimes.com/2011/03/14/how-to-protect-foreign-aid-improve-it/>.

⁷ InterAction, 'Gallup poll: Americans support cutting foreign aid', <http://www.interaction.org/article/gallup-poll-americans-support-cutting-foreign-aid>.

⁸ The Chicago Council on Foreign Affairs, 'Constrained Internationalism: Adapting to New Realities', www.thechicagocouncil.org/.../File/.../Global%20Views%202010.pdf

⁹ John T. Bennett, 'Poll: public majority wants faster Afghan withdrawal', *US News*, 30 March 2012, <http://www.usnews.com/news/blogs/dotmil/2012/03/30/poll-public-majority-wants-faster-afghan-withdrawal>.

¹⁰ Barack Obama, Address to the United Nations, 21 September 2011.

after a brief surge, setting the United States on an exit trajectory in Afghanistan. At the same time, while not averse to using force, he has shown a clear preference for small-scale, targeted action where possible – drone strikes in Pakistan, Afghanistan and Yemen, and Special Forces operations such as the one that killed Osama bin Laden.

This tendency is likely to play out concretely in conflicts that could erupt in the coming four years. While President Obama has kept the use of force on the table with respect to Iran, the favoured tool for slowing Iran's drive for nuclear weapons capability has been targeted cyber weapons (e.g. Stuxnet and Flame) rather than traditional military operations.¹¹

A further indicator of President Obama's likely future use of force relates to the 2011 Libya operation. Here he implemented a policy reflecting what had long been the rhetoric of American presidents, but not always the reality of their actions – namely to engage fully only where vital US national interests are at stake. Rather than take the lead in this NATO-led operation, he chose to play a supporting role. One should anticipate him continuing this approach in a second term. So too, like his predecessors, will he continue to enhance the military capabilities of other nations through training and technological assistance.

Although defence spending is being cut, President Obama has tried to protect State Department (and as part of this, USAID) funding. Secretary of State Hillary Clinton and USAID Administrator Rajiv Shah have emphasized 'smart power' and the need for a 'civilian surge' (also endorsed by the then Defense Secretary Robert Gates). Under Clinton's tenure, a new senior position, that of Under Secretary of State for Civilian Security, Democracy and Human Rights, was created.

President Obama is likely to continue to try to push development assistance as a more active tool of foreign policy. The two candidates most often discussed as likely to be appointed Secretary of State in a second Obama term, Senator John Kerry and US Representative to the UN Susan Rice, have both made clear the importance they attach to development assistance. Here, however, the likely make-up of the next Congress – a Republican majority in the House or Senate (if not both) – will limit Obama's ability to direct funds to USAID. In particular, while the United States has promised continued support to Afghanistan following its military pull-out in 2014, it is unlikely that any president will be able to keep this funding as high as he might wish.

A Romney presidency

Romney has emphasized his intention to expand the military, putting a floor on defence spending of 4% of GDP. He has said that budgets should not drive strategy, but vice versa. This could lead to an increase of \$2.1 trillion in defence spending over the next 10 years.¹² Despite this rhetoric, however, his hands will largely be tied by America's economic position. While one should anticipate a more robust military rhetoric in a Romney administration, in which the United States will aim to 'retain military supremacy to deter would-be aggressors and to defend our allies and ourselves', the funding reality will restrict any implementation.¹³ A number of Romney's defence advisers are linked to George W. Bush's pre-emption doctrine and the Iraq war – a legacy that could shape his defence policy significantly but also constrain his ability to get foreign support for US military engagement.

A more militaristic position from Romney is most likely to play out in the coming years with regard to two particular cases: Iran and Syria. Romney has stated that 'the Iranians will have no question but that I would be willing to take military action, if necessary, to prevent them from becoming a nuclear threat to the world ... we must be willing to take any and all action, they must all – all those

11 David Sanger, 'Obama order sped up wave of cyberattacks against Iran', *New York Times*, 1 June 2012, <http://www.nytimes.com/2012/06/01/world/middleeast/obama-ordered-wave-of-cyberattacks-against-iran.html?pagewanted=all>.

12 Charles Riley, 'Defense spending to spike \$2.1 trillion under Romney', CNN, 10 May 2012, <http://money.cnn.com/2012/05/10/news/economy/romney-defense-spending/index.htm>.

13 Steven Holland, 'Romney vows U.S. military supremacy if elected', Reuters, 7 October 2011, <http://mobile.reuters.com/article/politicsNews/idUSTRE7945SP20111007>.

actions must be on the table'.¹⁴ It seems more than likely that he would engage militarily to prevent Iran becoming a nuclear-weapon power. Romney has also criticized Obama for being unwilling to act more assertively in Syria, and one could expect a more forceful position from him on this conflict. It is unlikely, however, that in either case Romney would choose to act unilaterally. He is more likely to try to push other countries to engage through NATO. Given the resistance of China and Russia, the UN would probably not provide cover for such engagement, however. And internationally, Romney will have to contend with the perceived legacy of the Bush administration and Iraq; he will have to make a very strong case to get international support for military action.

Romney has said little about development assistance. Given the traditional position of the Republican party, and not least the senior position that one of his lead foreign policy advisers, John Bolton, would be likely to take in any administration, it is unlikely that aid will form a central part of the foreign policy toolbox.¹⁵ Romney will find it hard to push back against the more conservative elements of his party in Congress and ask for increased assistance funding. At the same time, given his background, and the Mormon ethos, which holds that 'we are to feed the hungry, to clothe the naked, to provide for the widow, to dry up the tear of the orphan, [and] to comfort the afflicted', Romney is likely to be personally inclined to continue such help.¹⁶

International implications

The international implications of the two different approaches in this area are significant. A more assertive America that prioritizes the military tool and adopts a more unilateral tone will heighten perceptions internationally that it intends to throw its weight around. While a Romney administration might not take military action, this perception matters. America's friends and allies will become more wary and cautious, and search for the support of another power that is less likely to drag them into an unintended conflict. (For example, the recent enthusiasm with which Asia-Pacific powers have engaged the United States, fearing an assertive China, would diminish if they perceive America as more aggressive.)

On the other hand, there could be positive international implications from a stronger, more assertive America. It would provide a clearer deterrence against countries that are not conforming to international norms (such as North Korea and Iran) or that might desire a more assertive role themselves (e.g. China), making them less likely to take aggressive action. At the same time, a United States with a stronger and larger defence force (as Romney suggests) would be less likely to pull out battalions from Europe (as Obama has proposed) and potentially continue to provide more resources to NATO.

Given the enormous upheavals in the Middle East over the past two years and continued US interests there, neither Obama nor Romney is likely to disengage from the region. However, the high levels of assistance that the Obama administration currently injects into Egypt and other parts of the region (excluding Israel) could diminish under a Romney administration. In combination with a more assertive military posture, this would have a negative impact on attitudes towards America and its ability to wield influence in the region (already seen as a problem, most notably in Egypt).

Afghanistan and Pakistan will also be affected by a change in presidency. Romney has been ambiguous over whether he would adhere to the 2014 troop pull-out deadline. Like Obama, he is likely to continue drone attacks. But development assistance to both countries could drop precipitously in a Romney presidency. The impact would be felt in other countries too, in particular China, India, Russia and Iran, as the region descends into greater instability.

14 Jonathan Bernstein, 'Mitt Romney's astounding exaggeration on Iran', *Washington Post*, 18 June 2012, http://www.washingtonpost.com/blogs/plum-line/post/mitt-romneys-astounding-exaggeration-on-iran/2012/06/18/gJQAFrHoIV_blog.html.

15 John Bolton, who believed the UN was a waste of US resources, was the controversial choice of President George W. Bush as US Representative to the UN from 2005 to 2006.

16 Mormonism's founder Joseph Smith, *Time and Seasons*, quoted on The Church of Latter-Day Saints website, <http://mormon.org/humanitarian-aid/>

There are also implications for multilateral institutions. Given the Republican dislike of the UN and similar agencies, it is likely that Romney will emphasize action without them, perhaps not unilaterally but bilaterally or through ad hoc groups. Thus under a Romney administration the relevance of these organizations might well diminish; instead, as under the Bush administration, American attention would turn to reforming them, using the stick of withdrawing US financial support.

Finally, if development aid were no longer a major tenet of US foreign policy, it would leave a void that could potentially be filled by others, such as China, Russia and Venezuela. But a decline in US bilateral giving might not augur catastrophe. Already foundations and civil society provide the majority of American philanthropic funding. This is unlikely to cease, and perhaps other actors, both American and external, will come to play a more central role in this area.

ABOUT THE AUTHOR

Xenia Dormandy is a Senior Fellow at Chatham House, and runs the Project on the United States' changing role in the world. She was previously the Executive Director of the PeaceNexus Foundation, which she launched in 2009. From 2005 to 2009, she was the Director of the Project on India and the Subcontinent and the Executive Director for Research at the Kennedy School's Belfer Center, Harvard University, as well as being a member of the Center's board.

Her previous positions include Director for South Asia at the US National Security Council (NSC), and a number of positions at the Department of State including in the Bureau of South Asia, the Homeland Security Group and the Bureau of Nonproliferation. Shortly after 9/11, she was detailed to the Office of the Vice President to help launch the Office of Homeland Security Affairs. Earlier in her career she worked in the non-profit and private sectors in California, Israel and the West Bank, and the United Kingdom, and for UNICEF in New York. She has a BA from Oxford University and a Master's in Public Policy from the Kennedy School of Government.

She is the author of numerous articles and op-eds in publications such as the *Washington Quarterly*, *Washington Post*, *Boston Globe*, *Christian Science Monitor* and *International Herald Tribune*, and she has been interviewed on radio and television for such programmes as the BBC World, NPR, CSPAN, CNN, Fox News, Al Jazeera and the Jim Lehrer News Hour.

The US Election Note series

The November 2012 US presidential and congressional elections are occurring at a time of profound uncertainty inside and outside the United States. How the next administration adapts to a host of international challenges will be central not only to America's prosperity and security, but also, given its continuing global economic and political power, to the prosperity and security of countries across the world.

The months before and after the elections will witness an enormous number of analyses and reports by US institutions and media on the future of foreign and domestic policy, targeted principally at US public and policy-making audiences. Using its international reputation for informed and independent analysis, Chatham House's Programme on the United States' International Role assesses the likely trajectories of US international policy after the 2012 election from an external perspective, analysing the implications for other countries and helping them to understand how a new president and his policies will affect them.

In the run-up to the elections, Chatham House will produce a series of Election Notes on major foreign policy issues, explaining the background, the relative positions of Barack Obama and Mitt Romney and the international implications of each. These Election Notes will not just provide independent analysis of what the candidates say, but draw upon an understanding of their record in office, if relevant, and their domestic and foreign policy teams to provide a deeper and more rounded assessment of their likely approach to major foreign policy issues. They are intended to inform and be relevant to governments, businesses, NGOs, foundations and the broader public.

The US Election Note series is made possible through the support of the Stavros Niarchos Foundation.

