Research

Why A Hard Power Budget Isn't Sufficient

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SUMMARY

- The Trump Administration's budget blueprint calls for cutting one-third of the international affairs budget.
- Relying on "hard power" defense spending at the expense of "soft power" diplomacy and development funding will not be sufficient to meet the complex challenges of today's world.
- Congress should fully fund America's diplomacy and development efforts, which represent 1 percent of the federal budget.

INTRODUCTION

When the Trump Administration rolled out its initial budget blueprint, a common refrain emerged: this is a "hard power budget." That sounds good, particularly to people who agree that years of cuts to the defense budget have left the American military with serious shortfalls in funding, manpower, and equipment. Meeting the challenges of today's increasingly dangerous world, however, will require more than just military might. Significant cuts to America's diplomatic and development budgets will only make it more difficult to recover from the defense deficit.

INTERNATIONAL AFFAIRS BUDGET

The entire international affairs budget only accounts for 1 percent of the total federal budget. This funding supports U.S. diplomatic engagement at embassies overseas, foreign aid programs that help fight pandemic disease and global poverty, and emergency disaster response. These efforts are important from a humanitarian perspective, putting American values into action by saving and improving lives around the world.

It is important to recognize that diplomacy and development also help safeguard national security and boost the American economy. The work of the State Department and U.S. Agency for International Development (USAID) helps in the fight against terrorism by addressing some of the root causes of extremism, preventing potential conflicts, assisting with post-conflict stabilization and reconstruction, and supporting emerging democracies. Foreign aid also helps the American economy by opening new markets and creating jobs in the United States. Over half of U.S. exports go to the developing countries, which are the fastest growing markets in the world.

BUDGET REQUEST

The initial White House rollout of its proposed budget for Fiscal Year 2018 (FY18) relied heavily on the narrative that it was a "hard power budget" because it increases military spending. (Though, importantly, not as much as the administration claims.) Director of the Office of Management and Budget Mick Mulvaney explained, "There's no question this is a hard power budget. It is not a soft power budget. This is a hard power budget. And that was done intentionally. The President very clearly wants to send a message to our allies and our potential adversaries that this is a strong power administration."

The White House proposed deep cuts to both diplomacy and development programs. The budget request includes $37.6 billion for the State Department and USAID—down 31 percent from FY17 levels. The budget requests about $25 billion of base funding and $12 billion of Overseas Contingency Operations (OCO) spending, intended to be temporary funds to meet unexpected challenges that arise. The administration will likely submit its full FY18 budget request to Congress later this month.

BUDGET ANALYSIS

If enacted at the initially requested level, funding for the nation's diplomacy and development programs would the lowest it has been since 9/11 (in real dollars). As a percentage of Gross Domestic Product (GDP), the international affairs budget would be the lowest since World War II.

The proposed cuts for international affairs are also disproportionate. Among non-defense discretionary spending, the State Department faces the biggest budget decrease—greater than the cuts to the Departments of Transportation, Interior, and Energy combined. The State Department cut is even steeper than the one proposed for the EPA as a percentage of the respective budgets.

Importantly, the proposed soft power cuts to diplomacy and development would make the military's hard power efforts more difficult. When it comes to promoting America's overall interests in the world, diplomacy and development are force multipliers for the military's work. The administration should not view hard and soft power as trade-offs by pitting the respective budgets against one another.

Of course, the State Department and USAID—like all aspects of the federal government, including the Pentagon—face legitimate questions about bureaucratic inefficiency and return on investment. Every part of the U.S. government should work to improve effectiveness, maximize efficiency, and be held accountable for its use of taxpayer dollars.

MILITARY SUPPORT

If a budget is intended to support hard power, it is worthwhile to consider what the nation's military leaders have to say. Shortly after the administration proposed the budget blueprint, a coalition of more than 100 retired military generals and admirals sent a letter urging Congress to resource the international affairs budget to "keep pace with the growing global threats and opportunities we face." These former military officers wrote, "The State Department, USAID…and other development agencies are critical to preventing conflict and reducing the need to put our men and women in uniform in harm's way."

Current military leaders have also strongly supported maintaining the international affairs budget. U.S. Special Operations Commander General Raymond Thomas recently told Congress that the State Department "indescribably critical" to the work of the military's special forces. Defense Secretary James Mattis said when

he was Commander of U.S. Central Command, “If you don’t fully fund the State Department, then I need to buy more ammunition.”

America’s military leaders have sent a clear message that hard power alone will not keep America safe.

CONCLUSION

U.S. diplomacy and development programs are critical tools in the toolbox for combating the myriad threats around the world. While defense is clearly one important aspect of national security, as the adage goes, “If all you have is a hammer, everything looks like a nail.” Funding defense at the expense of diplomacy and development will mean that the military will have to take on even more, which means putting more American lives in harm’s way.

Hard power and soft power should not be confused with strength and weakness. In addition to defense, diplomacy and development are critical aspects of any national security. An integrated approach to national security is required to meet the challenges of a complex world, where problems of terrorism, instability, poverty, hunger, and a refugee crisis not seen since World War II do not have solely hard power solutions.

President Trump’s promises to support the military and keep the nation safe go hand in hand with fully funding the nation’s diplomatic and development programs. Since Congress has the power of the purse, it should reject deep cuts to the State Department and USAID. The good news from an economic perspective is that diplomacy and development spending is incredibly efficient—just 1 percent of the budget can go a long way.